0 14302 76871 1 46

C2710-1

NEWSPAPER

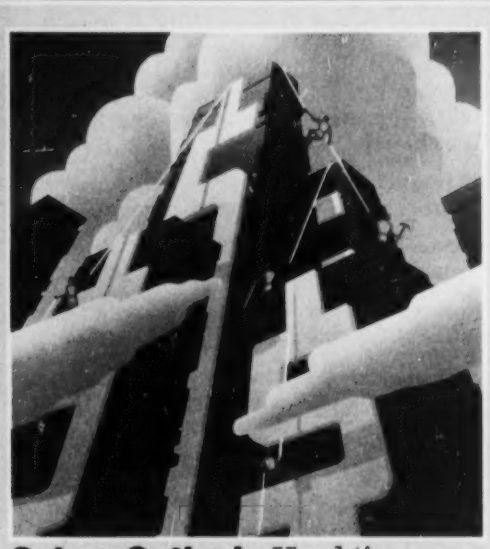
AA A00041 672
020190949 10905 DEC99
ASST MNG EDITOR
CONGRESSIONAL INFO SER'
SRI ACQUISITIONS
4520 EAST-WEST HWY #8'
BETHESDA MD 20814

November 18, 1991

Copyright 1991 by Crain Communications Inc.

Advertising Age

Crain's International Newspaper of Marketing • In Two Sections • Section 1 • $2.50 • $3.00 in Canada • £3.50 in U.K.



Thomas Lochray/This Image Bank

Salary Outlook: Hard times unsettle salaries. **After Page 24.**

GM units link in West

Divisions huddle to plot strategies in California

By Raymond Serafin and Cleveland Horton

General Motors Corp. has formed an unprecedented multidivisional task force that's focusing on California, the nation's biggest new-vehicle market.

GM officials refused comment, but sources say the project covers everything from advertising to inventory control.

The collaboration among divisions is unprecedented because individual brand identities are jealously protected at GM.

Those familiar with the project say it represents an important psychological and philosophical change in the auto marketer's approach that may eventually be applied to other regions.

Automakers, like other marketers, consider California an important bellwether for national trends.

"We're looking at California, but what works here may be picked up elsewhere," a source said.

The collaboration includes both GM corporate officials and representatives from the company's six vehicle-selling divisions. There have been three meetings so far, with as many as 50 participants.

"We're looking at California, but what works here may be picked up elsewhere."

The goal is to identify 10 basic marketing and sales strategies common to all GM divisions. Each division can then devise its own strategy and budget.

These budgets will include recommendations for corporate advertising funds to be spent in California.

It's expected that some significant marketing and promotional programs could emerge next year, if corporate officials approve funding.

One aspect involves Chevrolet, Pontiac, Buick, Oldsmobile, Cadillac and GMC Truck each working to identify key vehicles with upside potential for California sales without cannibalizing other GM divisions.

"We all agree that every division should have just a couple of core cars, opportunity cars for real volume," said a source who's attended meetings.

To date, GM subsidiary Saturn Corp. hasn't officially joined the project, though a Saturn representa-

(Continued on Page 48)

Caught in-between

Midsize shops suffer; Levine shuttered

By Gary Levin

Midsize ad agencies are rapidly becoming victims as advertisers continue to shift business to both bigger and smaller shops.

Levine, Huntley, Vick & Beaver, New York, last week was shut down and absorbed by parent Grey Advertising, a few months after the loss of its ceo and two of its biggest clients, Subaru of America and Frito-Lay.

■ **Who will go after the $100M Mercedes-Benz account—Page 4.**

McCaffrey & McCall's largest account, Mercedes-Benz of North America, last week put its estimated $100 million account up for review. That represents 33% of the agency's business and comes in the midst of another review by client Bacardi Imports.

Those moves underscore a growing concern that midsize shops—defined by the American Association of Advertising Agencies as $75 million to $500 million in billings—are on dangerous ground and could be headed for a shakeout.

Advertisers seem to prefer the resources of a multinational network or, alternatively, the entrepreneurial, hands-on approach of creative boutiques, say industry executives.

Midsize shops are neither and are more

(Continued on Page 48)

RJR siphons ad $ from magazines

By Judann Dagnoll and Scott Donaton

In another blow to the recession-plagued magazine industry, R.J. Reynolds Tobacco Co. is cutting its media advertising budget and abandoning yearlong ad schedules in magazines for 1992.

RJR is also dropping long-term commitments to outdoor companies and will shift savings from both moves to point of purchase and consumer promotions.

Under the new policy, RJR will make more selective magazine buys on a quarter-by-quarter or issue-by-issue basis, depending on the brand being advertised, the company confirmed.

"Given the high probability of change in brand advertising activity, both in scope and timing, we will not be releasing annual schedules for any brand at this time," Dan Pearson, RJR senior media director said in a recent letter to publishers. "Instead, we will communicate individual brand schedules to you throughout the year as they are confirmed."

Starting this week, RJR is meeting with publishers to discuss the new policy. Publishing companies believed to be af-

(Continued on Page 46)

LAST MINUTE NEWS

Weight Watchers goes to Ally

PITTSBURGH—H.J. Heinz Co.'s Weight Watchers moved its estimated $30 million Weight Watchers Foods frozen entree account, plus the national launch of Ultimate 200 frozen entree and sandwich line, to Ally & Gargano, New York, from DDB Needham Worldwide, New York. Company President Brian Ruder said the move was only for January through April, but other sources said the move is permanent. DDB Needham lost the $30 million Weight Watchers Weight Loss System account earlier this year. Ally already has $10 million in other Weight Watchers' foods. Ultimate 200 will be supported by network TV spots, themed "Total indulgence. Zero guilt," breaking Dec. 31. Spot TV and radio and national magazine ads start early next year.

Volvo, Chrysler spar over ad

ROCKLEIGH, N.J.—Volvo officials said they won't withdraw a controversial new spot despite a complaint by Chrysler. Chrysler issued a statement Friday calling the commercial *(see Page 4)* "deceptive

(Continued on Page 8)

INSIDE

Condom marketers get ready to advertise. **Page 47.**

Garfield checks out new ads for Budweiser. **Page 49.**

Unhappy New Year

Publishers see no ad rebound in January

By Scott Donaton

Magazine publishers have had their first glimpse of 1992, and for most of them, it looks an awful lot like 1991, or worse.

Publishers of monthly and every-other-monthly titles have closed or are about to close their January issues, and most said they see no sign of a rebound in ad pages.

In fact, several said January was softer than expected following a relatively healthy fourth quarter.

"Basically, we're looking at more of the same," said Gregory Dunn, publisher of *Redbook*. "In general, the tone, the mood, the close-to-the-vest planning, the lack of commitment are pretty consistent with what I've been used to for the last year and a half."

He said the Hearst Corp. monthly's ad pages were flat in January, compared with the same issue in 1991, a statement many other publishers wish they could make.

"I was hoping we'd come even with last year," said Carl Portale, publisher of *Harper's Bazaar*, where ad pages fell 16% for the January issue. "I don't want to finish 1992 16% off, [but] I think the market is going to stay soft."

January is traditionally a weak month for magazine ad sales, and publishers have said they don't expect an end to the industry's two-year slump before mid-1992. Still, many said they're surprised by the depth of the decline for January 1992.

"January was lousy. It's the only way

(Continued on Page 46)

From the Network that
brought you Wheel of Fortune, Jeopardy!,
Inside Edition and Oprah...

Now
Our next franchise!

CANDID CAMERA™

NATIONAL ADVERTISING BY
CAMELOT
A KING WORLD COMPANY

When you think advertising. Think Camelot.

NEW YORK: 212-315-4747 • CHICAGO: 312-236-4900

© 1991 King World. All rights reserved.

NEWS SUMMARY

■ **General Motors** has formed a multidivisional task force to develop strategies for the California market. 1

■ **R.J. Reynolds Tobacco Co.,** cutting its media ad budget, will drop yearlong ad schedules in magazines. 1

■ **Campbell Soup Co.** will reposition LeMenu frozen dinners as LeMenu New American Cuisine; the 12-item line will be introduced in January. 3

■ **Henkel** may fire Euro RSCG from its $100 million European account; the newly merged agency has conflicting Procter & Gamble business. 3

■ **Kevin Maxwell,** new publisher of New York's *Daily News*, expressed confidence the paper will survive. 3

■ **Condom commercials** focusing on disease prevention are OK to most network-affiliated station managers. 3

■ **Mercedes-Benz** of North America is reviewing agencies for its account, including incumbent McCaffrey & McCall. 4

■ **Chrysler Corp.** may consolidate some of its brands, a move that could affect the carmaker's agencies. 4

■ **McCann-Erickson** has been selected to handle the introduction of General Motors' electric car. 4

■ **Trans World Airlines** this week will introduce a business-flier bonus club and new lower fares. 6

■ **Meredith Corp. and CBS** Television Stations have formed a cross-media ad sales alliance. 6

■ **Movie marketers** are readying a flock of new movies for the holidays, hoping to reverse a box office slowdown. 12

■ **TV viewing by blacks** is 48% higher than all other households, according to an analysis of Nielsen data. 28

■ **Sales promotion budgets** for marketers are likely to be higher in 1992, according to a survey by the Council of Sales Promotion Agencies. 30

■ **Three cigarette companies** have received patents for "smokeless" cigarette concepts. 37

■ **Procter & Gamble** set up a direct marketing unit. 37

■ **'New York Post'** is seeking cross-media alliances with other local media to attract national advertisers. 37

■ **Telemundo Group,** the Spanish-language TV network, will start offering affinity credit cards. 37

■ **Fox Broadcasting Co.** said it will accept certain condom advertising, and CBS and NBC said they will review their policies prohibiting the ads. 47

■ **'Magic' Johnson** may appear in AIDS awareness public service spots backed by the marketer of the drug AZT. .. 47

■ **Whittle Communications** named Douglas Greenlaw president of its "Channel One" in-school TV network. 49

■ **Persian Gulf War** will be a viable ad topic in the 1992 election campaign, Republican strategists believe, based on a test in a congressional race in Virginia. 49

DEPARTMENTS

Ad Review	49	Forum	20
James Brady	24	Letters	22
Brady's Bunch	32	MediaWorks	28
Classifieds	40	People Moving	36
Con-Sid-erations	16	Photo Review	34
Rance Crain	24	Sales Promotion News	30
Editorials	16	Special Report	after 24
For the Record	45	The Next Trend	24

Contents copyright 1991 by Crain Communications Inc. All rights reserved.

Vol. 62, No. 46—ADVERTISING AGE (ISSN 0001-8899) is published weekly (except special issues the fourth week in January and the fourth week in September) by Crain Communications Inc. at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Postmaster: Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. $2.50 a copy, $84 a year, $134 two years. Add $101 per year for air delivery to Europe & Middle East. Add $70 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207-3185. 1-800-678-9595. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, Ohio 44691. 'AD AGE' is available for electronic retrieval on the NEXIS® Service. Mead Data Central, Inc., P.O. Box 933, Dayton, Ohio 45402 (800 227-4908).

ABP MPA CMCA

The LeMenu New American Cuisine line features unusual side components.

LeMenu goes American

Campbell hopes new line heats up frozen dinner sales

By Judann Dagnoli

Campbell Soup Co. is repositioning LeMenu frozen dinners with a new line styled after casual eateries such as Bennigan's, Houlihan's and T.G.I. Friday's.

The company will introduce nationally LeMenu New American Cuisine, a 12-item premium line, in January backed by $18 million in advertising.

New American Cuisine takes a page from casual restaurants and offers such non-traditional frozen dinner "side components" as rice and black bean medley, spinach and mushroom gratin, and cranberry cornbread stuffing.

Media support from Ogilvy & Mather, New York, includes network TV, radio and couponing starting in mid-February.

With New American Cuisine, Campbell "plans to break through the clutter in the freezer case once again by drawing on current food and restaurant trends as the inspiration," said Murray Kessler, premium meals business director for Campbell.

The original LeMenu line, introduced in 1982, was modeled after dinners found in white-tablecloth French restaurants.

The new varieties appear to run counter to the current trend in the $1.26 billion frozen dinner category toward more home-style, mainstream offerings. But Mr. Kessler maintained New American Cuisine combines the best of both worlds.

The main courses are mostly tried-and-

(Continued on Page 45)

Henkel could exit Euro RSCG over P&G

By Laurel Wentz and Dagmar Mussey

Henkel is considering firing Euro RSCG from its $100 million European account to pre-empt the agency from resigning its business in order to keep Procter & Gamble Co., sources say.

Henkel is said to be tired of Euro RSCG's prolonged maneuvering to keep both P&G's U.S. business at Tatham/RSCG and Henkel's European account at Eurocom in the wake of last month's merger of Eurocom and Roux Seguela Cayzac & Goudard.

"The feeling of the Henkel management is we're not going to sit here and wait to be ousted by an agency network," said a source familiar with Henkel.

"The feeling of the Henkel management is, we're not going to sit here and wait to be ousted by an agency network."

Euro RSCG officially hasn't decided what to do yet, but agency sources say the balance is swinging from Henkel toward keeping P&G, also a $100 million account.

Agency sources say P&G refuses to remain in the same group as Henkel because of its conflict policy.

"We at Henkel are aware of the new situation of the Euro RSCG network," said Juergen Seidler, the manager responsible for the German detergent and cleanser business. "We have had many talks but nothing has been decided yet. However, a decision

(Continued on Page 46)

Poll: Condom ads OK

Affiliates endorse network anti-disease spots

By Joe Mandese

Station managers affiliated with the Big 3 TV networks overwhelmingly believe condom commercials focusing on disease prevention should be accepted by the networks, according to an informal *Advertising Age/Electronic Media* poll.

But they're opposed to condom spots promoting contraception.

The poll was taken among station managers in the top 50 markets and conducted with the assistance of the Info-Edge Media Network, an electronic information management and communications company.

While 85% of the 27 station managers responding to the fax survey said they think their network should accept disease-related spots, 82% said they shouldn't accept condom spots focusing on contraception. The survey was sent to 170 station managers, with 16% replying.

The survey was conducted in response to Fox Broadcasting Co.'s decision last week to start accepting condom commercials that focus on disease prevention. The other networks currently prohibit any condom spots.

However, the Big 3 allow their owned & operated stations to air condom spots locally, based on their own assessment of local community standards on the topic.

Of the stations responding to the survey, 15% said they had aired condom spots locally.

NBC stations appeared to be most progressive on the topic, with 30% of the NBC respondents saying they had aired condom spots locally. Only 11% of the ABC respondents said they had aired condom spots locally, while none of the CBS stations said they had done so.

▪ Magic Johnson assesses his options while condom companies go to market—Page 47.

"This issue came up several years ago. A number of stations did agree to take condom ads in terms of disease prevention. A few spots were produced, and since that time, I am unaware of any requests for time for this product," said Dow Smith, VP-general manager of NBC affiliate WVTM, Birmingham, Ala.

He said he couldn't recall ever being approached to run a condom commercial on his station.

"I don't know what all the fuss is. It looks like a publicity effort by Fox," Mr. Smith said.

"We accept advertising for legal products, provided it is in good taste," said Gil Buettner VP-general manager for CBS affiliate

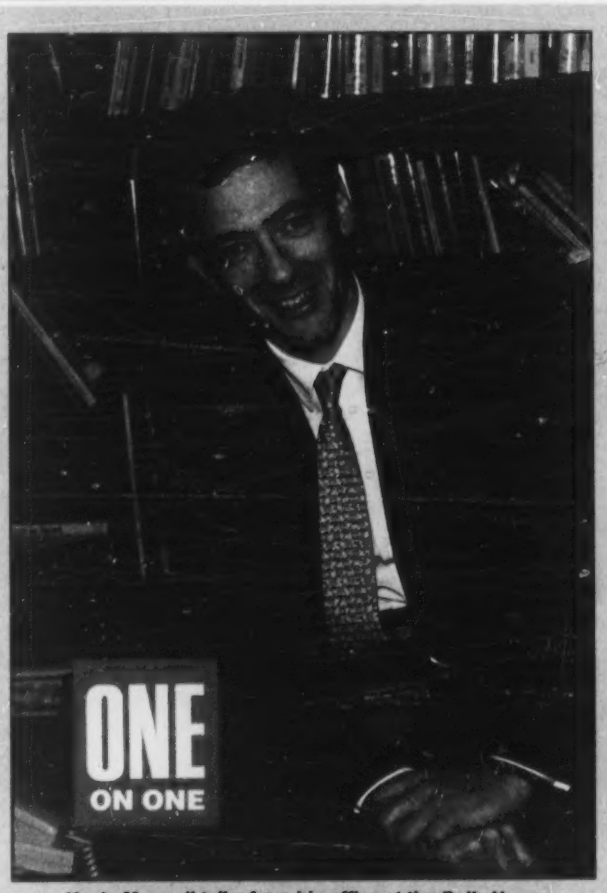
(Continued on Page 47)

How station managers view condom commercials

Survey of network affiliates in top 50 markets.

	Disease prevention spots		Contraception spots		Stations that have aired condom spots
	Agreed network should air	Agreed network should not air	Agreed network should air	Agreed network should not air	
CBS	71%	29%	14%	86%	0%
Total	85%	15%	18%	82%	15%

CYNTHIA WATSON



Kevin Maxwell talks from his office at the *Daily News*.

Doug Goodman

'If there's blood on the street, it won't be ours'

The day after the mysterious death of London-based media baron Robert Maxwell, his son Kevin, 32, was named chairman of Maxwell Communication Corp. and chairman and publisher of New York's Daily News.

In an exclusive interview in his office at the Daily News *last week, Kevin Maxwell spoke with* Advertising Age *Reporter Scott Donaton about the future of the newspaper and the Maxwell empire.*

Advertising Age: *Your father's death raised the question of how committed you are to keeping the* Daily News *alive.*

Mr. Maxwell: The level of commitment is as high as you can get. The *News* is a great franchise; it's in our core business, which is newspaper publishing, and it's got all the ingredients necessary for success. It's got a great readership; the market is there . . . and it's come back from the strike. Now what we need to do is to make it cash-generative.

"I've already told the unions there's no Sword of Damocles."

AA: *When do you expect the paper to be profitable?*

Mr. Maxwell: In '92, absolutely.

AA: *And if it isn't?*

Mr. Maxwell: If the paper

(Continued on Page 45)

Meredith, CBS offer package deal

Involves local spots, promotions

By Scott Donaton and Joe Mandese

Meredith Corp. and CBS Television Stations have formed a cross-media ad sales alliance, the latest in a flurry of marketing partnerships that link print and TV.

The companies plan to pitch packages that combine national advertising in Meredith magazines, spot TV buys on CBS-owned stations and local promotions.

"It makes a very powerful combination," said William Murphy, director of Meredith Custom Marketing. "Suddenly, we're in the business of localizing major national advertising efforts."

CBS operates stations in New York, Los Angeles, Chicago, Philadelphia and Miami, which together reach just under 25% of U.S. TV households.

Meredith publishes 13 consumer magazines, including *Better Homes & Gardens, Ladies' Home Journal* and *Metropolitan Home*. The media company also owns seven TV stations, including CBS affiliates in Syracuse, N.Y., and Bay City, Mich.

While the exclusive deal is initially limited to CBS-owned stations, there's an option to expand to the national network.

Meredith, among the more aggressive media companies in the area of integrated marketing, also has exclusive marketing alliances with Washington Post Co.'s *Newsweek* and Actmedia.

Those partners will be able to participate in the Meredith-CBS deal. Actmedia in particular will play a role in developing and implementing local in-store promotions.

For example, the partners could develop a program for a food company that would include ads in Meredith magazines and the publication of a custom cookbook with recipes using the marketer's product, said Phil Press, VP-sales and marketing for the CBS-owned stations.

Meredith could then publish sponsored recipe booklets to be distributed in supermarkets and promoted by local TV spots.

If advertisers want to expand the programs, other CBS affiliates and Meredith-owned stations could be added on an ad hoc basis through spot-TV rep companies, Mr. Press said.

The station group was approached by other publishers interested in forming similar alliances, Mr. Press said. But Meredith's women's and home service titles fit well with CBS' programming, which skews more heavily toward women than the other broadcast networks, he said.

The deal is believed to be the first formal alliance between a publisher and a major broadcast network.

Meredith itself tried to put together packages linking its magazines and TV stations several years ago, but the effort collapsed after Meredith sold its MMT Sales rep company.

Meredith and CBS Television Stations will start making presentations to ad agencies and marketers in the coming weeks.

Agency media buyers said it's difficult to determine the value of the alliance now.

"I'm intrigued by it and a little puzzled by it at the same time," said Joseph Ostrow, New York-based exec VP-worldwide media director of Foote, Cone & Belding.

"The idea's a good one if they can do it, but it seems much more natural to have the CBS network and Meredith," he said. "It would be awfully coincidental if [an advertiser] in Meredith just happened to need the CBS markets to heavy up. I don't know what's so magical about the CBS [owned & operated] markets."

"Conceptually, it brings some new opportunities to us," said Abbie Auerbach, senior VP-director of local broadcast for Ogilvy & Mather. "The implementation and the actual use of it and how it fits our needs have yet to be determined." □

Rival spots cluttering TV

By Joe Mandese

Competitive clutter within a single prime-time hour is emerging as a problem for network TV advertisers.

Two out of every five commercials in the average Big 3 prime-time hour face at least one direct competitor's message, an *Advertising Age* analysis of a week of prime-time commercial data found.

Of the 57 commercials that ran in an average prime-time hour, 24, or 42%, faced at least one competitor.

The findings are significant because research shows TV ad effectiveness plummets when a rival's spots are present.

"The advertising industry tends to look at the issue of overall clutter, when the important issue is what kind of clutter it is," said Robert Kent, a marketing professor at Drexel University, Philadelphia. Mr. Kent has conducted several studies on the effects of competitive clutter.

Based on a 1989 study he conducted among University of Cincinnati undergraduates, Mr. Kent said exposure to two competitive commercials decreased brand name recall by more than 25% and ad claim recall by roughly 40%.

"That's a bigger effect than I expected to see," he said. "It suggests that rather than looking at general clutter levels, the levels of competitive clutter are a more significant issue."

Mr. Kent recently monitored an episode of ABC's half-hour prime-time series "Coach" and found competitive spots for three cars, two light beers and two feminine hygiene products, plus eight other, non-competitive spots.

According to *Ad Age's* analysis of logs from Arbitron's Broadcast Advertisers Reports for the week of Oct. 14 to 20, NBC was the most competitively cluttered network. Nine, or half of the 18 spots during NBC's average prime-time hour, faced a direct competitor.

While CBS had the lowest level of competitive spots scheduled per average hour—38%—it had the most commercials overall per average hour, 21.

About 39% of the 18 commercials in ABC's average prime-time hour faced a competitor.

The BAR data reported only network spots, not local commercials, so the number of competitive messages could actually be higher. Since local stations are strapped for local and national spot revenues, they rarely turn away competitors' commercials for high-demand categories, particularly automotive, currently the most cluttered category.

The networks generally provide competitive protection within a commercial pod to advertisers that buy 30 seconds or more in the pod, but the protection doesn't extend beyond that period.

The monitored week's most competitively cluttered hour was during CBS' World Series coverage from 9 p.m. to 10 p.m. (ET) Oct. 20. During that hour, 67% of the 24 spots were competitive, including seven automotive, three computer, two financial services, two cold/cough products and two telecommunications corporate spots. The week's least competitive hour came during NBC's "Sisters" between 10 p.m. and 11 p.m. Oct. 19. None of the 14 commercials faced a competitor.

Such swings aren't unusual because competitors, seeking the same demographic targets, gravitate toward the same shows, said Arnie Semsky, exec VP-worldwide media director at BBDO Worldwide, New York. Also, some categories spend more during specific seasons, he noted. □

The competitive clutter situation

Advertisers' messages are getting lost in a sea of competitive ads: 42% of the ads scheduled during the average prime-time hour had one or more competitors present.

Network	Average no. of ads per hour	Competitive ads per hour	% of competing ads
ABC:	18	7	39%
CBS:	21	8	38%
NBC:	18	9	50%
Big 3 total:	57	24	42%

Numbers of ads are averages per hour during prime time. Source: Advertising Age analysis of data from Arbitron's Broadcast Advertisers Reports for the week of Oct. 14-20.

JWT wins $50M PM biz

By Dagmar Mussey and Judann Dagnoli

Philip Morris Cos. subsidiary Jacobs Suchard last week moved as much as $50 million in European coffee business to J. Walter Thompson Co. from Saatchi & Saatchi Advertising.

The move of the Suchard coffee brands, acquired by Philip Morris in September 1990, was expected since Saatchi isn't a core Philip Morris shop.

But the switch unexpectedly included two Kraft General Foods International coffee brands, Kaffee Hag and Kenco in the U.K., both previously handled by Young & Rubicam, with a combined $5 million to $10 million in billings.

The realignment gives Kraft General Foods three core coffee agencies: Y&R, JWT and Ogilvy & Mather.

The moves involved five coffee brands in Germany, Switzerland and Austria, and followed Kraft General Foods' shifting of $150 million in U.S. business last year when it created a broad incentive-based compensation system.

The switch also raised questions about O&M's hold on the $60 million-plus Maxwell House account in the U.S., prompting rumors the domestic account would also go to JWT, O&M's sister within WPP Group.

Maxwell House President Charles Phillips denied that speculation.

"Frankly, if we were to move the [U.S.] business, it would not go to Thompson," Mr. Phillips said.

He also said Maxwell House is "very happy" with O&M's work.

O&M has had the account since winning it back in October 1990—after losing it in May 1989—but only recently broke its first TV spot, a montage of old creative.

The decision to pull out of Saatchi was made by Philip Morris executives in New York and wasn't greeted enthusiastically by Suchard, said Albert Freese, general manager of Suchard's coffee business in Bremen, Germany.

Mr. Freese said the account shift was a "forced marriage."

But a source at the domestic company said the decision was made not by Philip Morris but by Kraft General Foods as part of the realignment.

The primary work on the realignment is spearheaded by Kraft General Foods corporate VP-Marketing Eric Strobel.

JWT is no stranger to the account, having lost Suchard's coffee business to Saatchi three years ago.

Saatchi's Frankfurt office is the big loser, having handled $25 million of the European account. Saatchi agencies in Austria and Switzerland lost the rest of the business. □

Business-flier bonus

TWA club to lure higher-paying travelers

By Jennifer Lawrence

Trans World Airlines this week plans to introduce a business-flier bonus club to boost its share of higher-paying passengers.

The Business Saver Bonus Club will award points toward items including refundable tickets, vacation packages, cruises, hotel stays, car rentals and dining. Points worth $15 toward those items will be awarded for every $100 spent on TWA's Business Saver fares, non-stop coast-to-coast flights and trans-Atlantic travel.

Reduced fares from coast-to-coast and to Europe will accompany the club's introduction.

Passengers will be offered first-class seats for coach prices on those routes; business-class service to Europe for a coach fare; and upgrades on low-end Business Saver fares with the TWA frequent-flier gold card or similar cards from competing airlines.

Introductory advertising is estimated at $3 million to $5 million via Avrett, Free & Ginsberg, New York.

A newspaper ad breaking Nov. 20 is headlined: "The greatest awards for the business traveler since frequent flier miles." Copy says: "The only club that pays you to join."

A 30-second TV spot is expected to air by the end of the week on the East and West coasts. A radio :60 is also part of the mix, and outdoor advertising may follow.

"We honestly feel that it's about time business travelers stop supporting the low-end leisure traveler," said Sheldon Kravitz, TWA VP-advertising/consumer marketing. "Because of our cost-efficiencies, we can pass along our savings to the business traveler. This program is a long-term strategy."

S. Kravitz

TWA's promotion comes as the entire airline industry is struggling. The nation's No. 7 carrier is hoping to win business travelers with unrestricted low fares on long-haul flights.

"This is a creative marketing approach, but fundamentally it will not do what TWA wants it to do," said Daniel Kasper, director of transportation practice at Harbridge House, a consultancy. "It won't save TWA, and it will almost certainly be matched."

TWA's Mr. Kravitz, however, said the new program can't be matched quickly or easily, since it involves issuing members a credit-type card for use at travel-related companies participating in the award program.

Separately TWA in the next two weeks plans to break a TV and print campaign for leisure travel to Europe. □

FORUM

Men (finally) beginning to redefine roles

By Susan Hayward

The new edition of the Yankelovich Monitor reveals that after three decades of redefinition of the roles and goals of American women, there are signs that a similar transformation may have begun among men.

Since the early years of the women's lib movement, women have changed not only their own lives but also the functioning of most of the major institutions of American society. They have moved beyond their position of housewives and mothers and into the workplace, politics and other previously male-dominated areas. In fact, the intensity of the response to the Thomas/Hill controversy and the broad attention paid to it suggest that the unique point of view of women has begun to compete successfully in arenas of thought such as politics and law historically defined by the male experience.

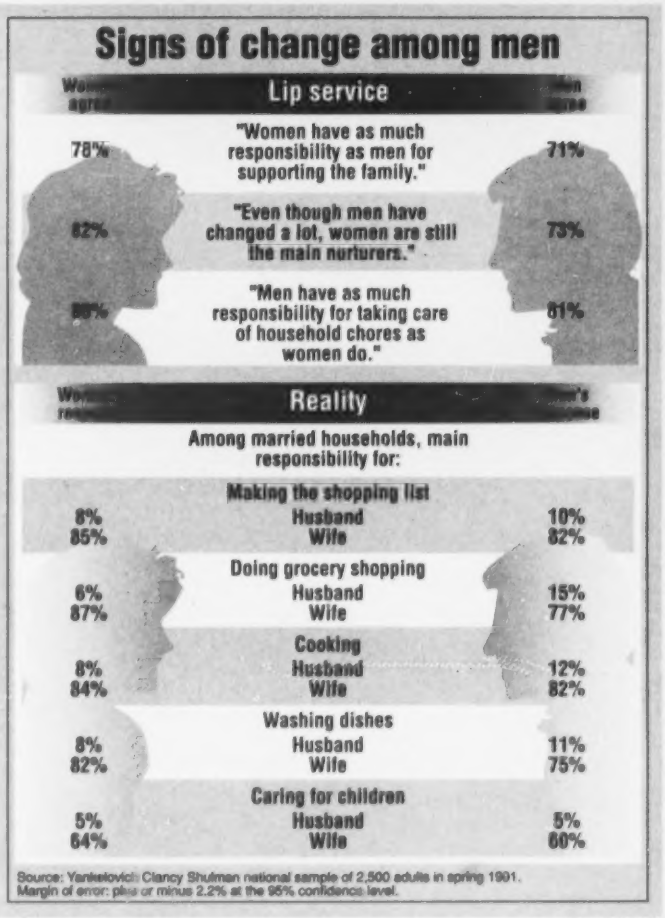
While women were reshaping their lives, they attempted to convince, coerce or even force men to make complementary changes, to become more "sensitive," cooperative and especially more equal partners in households tasks. They apparently believed that if women assumed (nearly) half the burden of income production (men's work), then men would be willing to shoulder some share of women's work in the home.

Men responded to the changes in the social and family environments in a variety of ways, ranging from ridicule to genuine efforts to help. But with no incentive and little real pressure to change, most men have not assumed major responsibility for any part of the work traditionally assigned to women. They help, when asked, but don't assume full responsibility, and they admit it.

Around 1985, women faced reality: They are responsible for the maintenance of home and family, they will have to maintain paid employment and men are not likely to fulfill their fantasy of the perfect mate. Recognizing the impossibility of the fantasy of the perfume ad ("Bring home the bacon, fry it up in the pan and never, never let him forget he's a man") they began to streamline the list of tasks for which they could accept responsibility. One of the casualties may have been women's support of traditional, stereotypical male myths.

Until this year, men operated under the guidelines of self-definition, expectation and responsibility in force since the 1950s or before: man as breadwinner, head of household, responsible for the well-being and protection of wife and children. In 1991 there is evidence, reinforced by the recent focus books defining the problems faced by male consciousness-raising sessions (often accompanied by drumming), that men may be feeling somewhat uncomfortable with the stereotypes. Census data suggest that almost one-third of single men between ages 24 and 34 are still living at home, perhaps because they have no clear idea of what comes next.

The Yankelovich Monitor data suggest that men may be experimenting with new roles, interests and self-images. In several areas, men and womem appear to be exchanging traditional positions. Men are becoming more interested in personal appearance (chest development, hair coloring, fashion), in romance and fantasy, in rituals and tradition. They are less likely to focus on the importance of money and of family and less likely to feel responsible for providing for the needs of others. The direction of women's interests is in each case the reverse of men's, leading to the conclusion that men and women may be, however temporarily, changing places. Women seem to become more practical and results-oriented, while men are moving in the direction of self-absorption and dependency.



JOHN SMITHER

While the outcome of these changes is not yet clear, it appears that men may have begun the same kind of odyssey of redefinition that women have been living through for decades. While this may create some confusion and turmoil in the near term, it augurs well for the longer term as movement toward a future social system in which men and women are again in agreement about the nature of their partnership. □

Ms. Hayward is senior VP at Yankelovich Clancy Shulman in Westport, Conn.

WHO MADE IT COOL TO DRINK COFFEE?

The same techniques that helped develop new Mocha Cooler™ for Nescafé can work for you too. **1)** Identify your brand's hidden strengths and limitations. **2)** Give a competitive edge (which positionings make the most of your brand). **3)** Target areas where your equity counts the most. **4)** Explore how high is up. **5)** Develop big new ideas.

The new drink that's "making iced coffee red hot."
(Ad Age, May 21st)

It's called **"Brand Image Plus".** For our Brand Image booklet contact Sonia Kallen, 55 South Broadway, Tarrytown, NY 10591. Phone (914) 631-8800 – Fax (914) 631-0934. Discover why 70% of our business is repeat.

Schoenfeld, Chapman & Pearl

New Products/Brand Leveraging Consultants

Who needs planners?

A good researcher should know creative

By Louis Cohen

In recent *Advertising Age* articles, two account planners, George Creel and Rob White, and a researcher, Erich Rupprecht, discussed planning and advertising research and gave their views on the relationship between the two.

However, they didn't attempt to answer what is to me the $64,000 question: Why does the advertising researcher need the planner, a third party, to translate research findings to creative?

Indeed, that advertising researchers need planners to translate for them has always seemed to me to be damning evidence of a major problem in advertising research. If researchers can't understand creative well enough to communicate with them, how can they do rich advertising research that comes up with insights and ideas that creative finds valuable in developing advertising?

I believe that in order for advertising researchers to come up with rich input for creative, they need to develop their own ability to plan. They need to be able to utilize their research findings to come up with advertising ideas for creative.

I think that most of us have been around a really strong advertising researcher, someone whose research and analysis could be counted on to come up with ideas that creative loved. Invariably, the strong advertising researcher is someone who understands advertising as well as research. Practically by definition, a strong advertising researcher is also a good planner. As the song goes, "You can't have one without the other."

How can advertising agencies carry out the goal of developing advertising researchers who have planning ability?

1) Expect researchers to understand advertising and how it is developed.

2) Offer seminars to help researchers learn how advertising is developed, so they can learn to translate research findings into ideas for creative.

3) Offer advertising researchers seminars on how to use clues from copy research and other sources to find out specifically what is not working in the advertising and, thus, what needs to be fixed. Creative needs to know this.

This should prove to be an excellent start toward "plugging in" advertising research to the advertising development process at the agency. □

Mr. Cohen is president of Louis Cohen Research in New York.

SALARY OUTLOOK

Gender gap, 'right-sizing' add to pessimism for '92

By R. Craig Endicott

Even though employees at advertising agencies and their clients expect 7.6% growth in salaries, to an average $58,651 in 1992, they don't seem to be cheering.

The buying power of ad industry salaries continues to flatten as the recession nears the two-year mark, and "right-sizing," a new euphemism for scaling down to a lean-and-mean efficiency, is making more people spend longer hours at work and toil harder for less pay, according to *Advertising Age's* first annual salary survey.

The survey, which drew 493 responses from agency and client personnel to a questionnaire printed in *Ad Age*, also found a gaping gender gap in which men on average earn 1.6 times more than women at essentially the same tasks, a chasm that in time may narrow now that more women are in the marketplace.

That gap will narrow in 1992 if the respondents get the pay increases anticipated: men by 7% to an average $71,037, and women by 9.1% to an average $45,167.

The survey also found that moving to another job—perceived as the best way to increase pay by most respondents—did just the opposite. The 16% of the respondents who made a job switch since 1990 did show an increase in salary, but not at the growth rate of those staying put.

The ever-present recession is taking the optimism out of the client side.

In the last two years client personnel have been more positive about their ability to maintain their standard of living than have agency personnel. Now, about half the client respondents believe their standard of living will not rise in 1992—virtually matching the response from agencies.

Should this more pessimistic view reflect corporate ad spending, agencies that live off that spending may be in for continued tough times.

Gender gap's key barometer

The gender gap's most telltale evidence is salary level. Men maintain a huge lead in salary, making about $25,000 more on average than their female counterparts.

Among men in advertising, there is little difference between agency and client pay. The profiles are virtual clones: The average age of men in agencies and clients is 39; average years in the field is 13, the past four years in the current post.

A key factor in the wage dispar-

(Continued on Page S-17)

Edited by R. Craig Endicott

Thomas Lochray/The Image Bank

Burnett biggest: But number of jobs overall at agencies on the decline. **Page S-2**

Looking long term: Base pay continues to slip as part of compensation. **Page S-6**

Inside the labyrinth: How Interpublic puts together exec compensation facets. **Page S-10**

Vitriol spills out: Survey respondents decry unpaid O.T., lousy raises. **Page S-16**

Staffing levels of Top 10 agency employers

Agency	Primary agency* Oct. '91	Primary agency* Oct. '90	Primary agency* % chg.	Total** Oct. '91	Total** Oct. '90	Total** % chg.
Leo Burnett USA, Chicago	2,429	2,212	9.8%	2,429	2,212	9.8%
Young & Rubicam, New York	2,316	2,539	(8.8)	4,473	4,899	(8.7)
Foote, Cone & Belding, Chicago	2,203	2,234	(1.4)	2,585	2,609	(0.9)
Grey Advertising, New York	2,062	1,951	5.7	2,100	2,042	2.8
J. Walter Thompson USA, New York	1,975	2,049	(3.6)	2,334	2,468	(5.4)
D'Arcy Masius Benton & Bowles, New York	1,858	1,851	0.4	2,433	2,328	4.5
DDB Needham, New York	1,845	1,948	(5.3)	1,845	1,948	(5.3)
McCann-Erickson, New York	1,716	1,709	0.4	1,716	1,709	0.4
Saatchi & Saatchi Advertising, New York	1,714	1,706	0.5	1,714	1,706	0.5
Bozell, New York	1,601	1,637	(2.2)	1,660	1,707	(2.8)
Top 10 agency total	19,719	19,836	(0.6)	23,289	23,628	(1.4)
U.S. agency total***				161,500	169,400	(4.7)
% of U.S. agency employees in Top 10 agencies				14.4	13.9	

* Core agency, generally units bearing agency's name.
** Includes primary agency and subsidiaries. Example: FCB-named shops comprise the primary agency. FCB total includes primary agency and subsidiaries, Albert Frank Guenther Law, IMPACT, Vicom FCB and Wahlstrom & Co.
*** Bureau of Labor Statistics' Office of Employment and Unemployment Statistics.
Source: Ad Age Survey

Advertising Age graph: John Hall

Burnett takes employment lead

But number of jobs overall at agencies on the decline

By R. Craig Endicott

Fortified with new account gains worth a potential $300 million in billings in 1991, Leo Burnett USA exploded past Young & Rubicam to become the nation's largest agency employer with a head count of 2,429, up 9.8% from October 1990.

Employment at Y&R-named shops slid 8.8% in the same period to 2,316 to rank No. 2. Y&R *and* its subsidiaries remain the leader on a consolidated basis at 4,473, down 8.7%, according to *Advertising Age's* annual survey of the Top 10 agency employers.

Y&R, joined by four other employers in the Top 10 with work force declines, influenced a drop in total employment for the group of 0.6% to 19,719. This occurred as national media spending fell a precipitous 7.1% in first-half 1991 over the prior-year period, according to LNA/Arbitron.

The Top 10, however, outpaced the rest of the ad community, which dipped 4.7% in employment to 161,500 in September 1991 from the prior-year period, according to the Bureau of Labor Statistics *(see chart on Page S-20)*.

Since the first of the year, agencies have lost 3,900 employees nationally as total national media spending has declined $1.4 billion from previous year levels.

The national employment decline also boosted the Top 10's percentage of the nation's agency work force to 14.4%, compared with 13.9% a year ago.

The economic slowdown is hitting most agencies in much the same manner. Agencies have responded with layoffs, reduced or eliminated bonuses and increased work loads, according to a study by the League of Advertising Agencies, an association of small shops.

"Client attitudes are changing, too," says league President Joseph M. Dietz. "They're more concerned with how little they can pay an agency than about the value-added [services] we can provide."

Growth in employment in 1992 does not bode well for the industry.

"We're going [into 1992] planning for the worst and hoping for the best," says Stone Roberts, chief operating officer of Lintas:New York. His agency showed a 4.7% decline to 1,367 in finishing 12th. BBDO and Ogilvy & Mather also had employment declines to 1,546 and 1,342, respectively, to rank No. 11 and No. 13.

Current employees also can't count on the magnitude of year-end perks of past years because profit levels have declined across the board. At Foote, Cone & Belding, bonuses and profit-sharing contribution will suffer because profits are down for the first three quarters, notes Paul Sollitto, the agency's VP-corporate director human resources.

While overall employment is down slightly, he says, FCB shops in Chicago and San Francisco remain stronger than offices in New York or Los Angeles.

Burnett reports it will not kick in the traditional 15% to profit sharing, only the second time since 1943 it hasn't met the maximum payment. Despite new-client gains, Jack Kraft, vice chairman-

(Continued on Page S-20)

The Parkers, Greenville, SC

When their dreamhouse is finished, they'll be hooked up to cable.

The Parkers, like many TNN viewers, believe in the American dream and are willing to work to make it happen.

They're building their own home. A place where every room in the house will be custom built to their specifications.

In a world of cookie-cutter houses they're creating an original.

At TNN: The Nashville Network, we believe in originality. We create more original programming than any other cable network, so we truly appreciate the Parkers' efforts.

Having the Parkers as viewers, we know they appreciate ours.

TNN
THE NASHVILLE NETWORK.
The Heart of Country

© 1991 Group W Satellite Communications. THE NASHVILLE NETWORK, TNN and the TNN logo are registered service marks of Opryland USA Inc.

Looking out for the long term

'Base pay' continues to decrease as part of total compensation

By Laurie Freeman

When Lisa Fortini-Campbell first entered the advertising industry, she worked at Leo Burnett Co. as an assistant research analyst. Her compensation was a salary and a year-end bonus—nothing complicated to figure out.

By the time she left the industry in May 1990 after serving as senior VP-general manager of the Chicago office of Hal Riney & Partners, Ms. Fortini-Campbell's compensation included a base salary, an optional bonus and a profit-sharing plan with a required vesting period.

As she moved up the ranks, Ms. Fortini-Campbell, now a visiting associate professor at Northwestern University's Medill School of Journalism's integrated marketing program, says more of her compensation became "less assured." She never was sure what she'd end up with at the end of the year.

For many agency and client-side executives, there's growing uncertainty about how compensation will be awarded in the coming decade.

Although the shift toward linking the pay of employees—from the ceo into middle management—to the long-term success of the company is more prevalent on the client side, there are indications such performance-oriented pay also will play a larger role in agencies, according to industry compensation experts.

"Companies are putting more pay at risk in both short-term incentives, like bonuses, and long-term incentive plans," says Jim Woodrum, executive compensation consultant at Hewitt Associates. "Short-term incentive plans are moving further down the management ranks. Long-term incentives like stock options also are becoming available to broader groups of employees."

According to a Hewitt Associates compensation trends study, base salary comprised only 30% of an average executive's total pay package in 1991, compared with 43% in 1983. One-third of a senior manager's compensation in 1991 came from long-term incentive arrangements compared with only 19% in 1983, according to the study.

Companies like PepsiCo, Waste Management Corp. and Merck & Co. are using various "results-sharing" programs, such as stock options, performance plans and restricted stock, to compensate employees outside of raising base salaries.

These programs reward employees based on some measure of performance, like productivity or profitability and must be re-earned each year, says Mr. Woodrum.

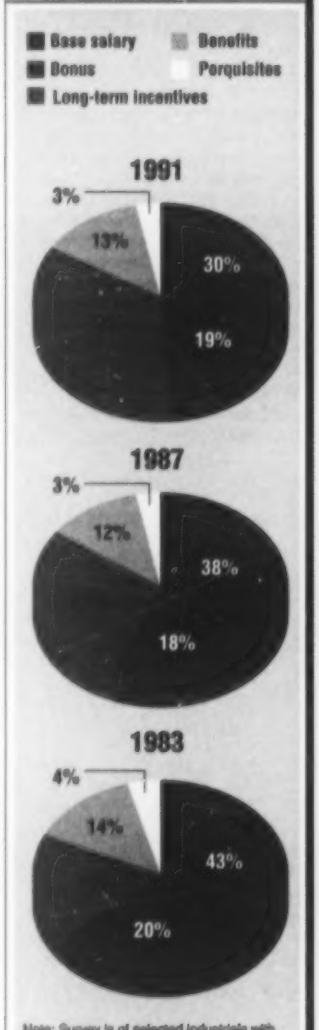
The downside is that the programs do not permanently increase total cash compensation *(see story on Page S-10)*. Because of their potential payoff, they also serve to keep a lid on base pay.

Besides possibly providing greater financial security, results sharing also may keep key employees around longer because of time requirements connected to the collection of benefits. Meanwhile, the company benefits because employees with a vested interest are presumed to work harder to boost corporate performance and company contributions to their benefits accounts.

Recently, WPP Group began to put together an incentive compensation package to reward top managers for long-term performance. Such incentives, which would give agency employees a bigger stake in the London-based

(Continued on Page S-10)

Total compensation distribution
Top U.S. corporate officers



Note: Survey is of selected industrials with average revenues of $10 billion.
Source: Hewitt Associates
Advertising Age graph: Cynthia Watson

THE ONLY TIME THE BOSTON GLOBE WILL REVEAL ITS SOURCES.

It's no secret that The Boston Globe offers the greatest reach of any newspaper in New England. (Although it may surprise you that The Globe's audience is several times larger than even the largest Boston television station's.*) But what's even more impressive is how well The Globe can help you target specific audience segments. In fact, the Boston Scarborough Report shows that no one can help you talk to the people you want to reach better than The Globe. And no one knows the Boston market better than The Globe. The data in our Scarborough audience and retail books and our category brochures like Travel, Automotive and Business/Finance give you valuable information about your consumers and about your competition. What's more, we offer customized reports to help you get a handle on just about any target group you're after—from 18-24 year-olds, to families with kids to people with post-graduate degrees. Research like this has helped us tailor our paper to meet your needs, by offering a mix including 5 regional editions, our latest Movie and Music sections, plus our new ZIP-CLUSTER Insert Program, capable of delivering anything from a simple flyer to a multi-page catalog to product samples . . . all to the right doorsteps. Basically, we'll work with you to make your buy as easy and as accurate as possible. Just call 617-929-2898 and see what kind of information we'll reveal to you.

The Boston Globe

It all depends on how you use it.

A Member of Newspapers First.

*1990 Scarborough Report on the Boston Market.

Inside Interpublic labyrinth

The many facets of a compensation package

Corporate compensation packages may be putting more executive-level pay at risk, but the degree of risk can be minimal.

That's the case at Interpublic Group of Cos., which generally has shown consistent growth over the years.

But in 1990, the company's profit growth slowed from the prior year. Incentive pay dropped, leaving the top executives with less cash compensation than in 1989.

Philip Geier Jr., chairman, president and ceo, for example, experienced a drop of 4.3% in cash compensation to $1.64 million from 1989.

But despite the decline, he wasn't out any cash, because according to the Interpublic proxy statement, Mr. Geier was awarded $1.53 million in cash from the company's long-term performance incentive plan, compared with $306,612 from the same plan in 1989.

According to the Interpublic compensation plan *(see accompanying graphic)*, Mr. Geier's cash compensation included $875,000 base pay, up $145,000, or 19.9%, from the prior year. But other pay—much of it tied to the company's growth rate and largely consisting of bonus and incentive pay—dropped $215,000, or 22%.

But not included in the cash compensation were the long-term performance incentives. Interpublic awards key executives "performance units" every two years. The value of some units is tied to pre-established growth rate objectives over a period of four calendar years. Other units are tied to the market or book value of Interpublic's common stock.

"Phantom" shares of common stock are divvied out according to the number of performance units held by each executive. Dividends are paid annually on these shares, an amount reaching $186,000 in 1990 for Mr. Geier. Outright cash awards, based on an assigned value of each performance unit, are made annually and are payments in excess of total cash compensation.

As in most corporations, the benefits for top executives hardly end with cash compensation and in the case of Interpublic, phantom payments.

Beyond straight salary and phantom payments, Interpublic contributed $9,414 as its portion to Mr. Geier's 401(K) plan and about $13,000 for his supplementary insurance; awarded him 8,039 shares of common stock under the long-term performance plan; supplied personal financial planning and tax-advice services valued at about $3,800; and provided an $18,000 annual retainer for serving as a director and $2,000 annually for each committee on which he serves.

Then there are the post-Interpublic awards: $160,000 per year in special retirement benefits after the age of 60, and the same amount for beneficiaries for 15 years should he die while employed by Interpublic.

Upon retirement, he and top agency executives will receive an average of $108,963 annually. □

Interpublic's executive compensation plan

Robert L. James, Chairman-CEO, McCann-Erickson Worldwide

Philip H. Geier Jr., Chairman, President, CEO, Interpublic Group of Cos.

Richard D. O'Connor Chairman-CEO Lintas:C-E Vice Chairman, Lintas:USA

William V. Weithas Chairman-CFO Lintas: Worldwide

	Year	Total cash compensation	Base pay	Other	Performance related compensation*
Geier	1990	$1,635,232	$875,000	$760,232	$1,533,688
	1989	1,705,044	730,000	975,044	306,612
James	1990	966,466	560,000	406,466	937,948
	1989	1,018,683	460,000	558,683	602,204
O'Connor	1990	513,617	NA	NA	128,312
	1989	507,657	NA	NA	282,490
Weithas	1990	852,980	540,000	312,980	937,948
	1989	914,751	460,000	454,751	609,979

* Performance related compensation is not included in total cash compensation

Source: 1991 and 1990 Interpublic Group of Cos. proxy statements.

Advertising Age graph: John Smither

Less perky, more practical

Perquisites are taking a back seat as greater portions of executive compensation are being placed at risk in the form of incentive arrangements at leading U.S. corporations.

Perks also have become less lavish and more practical, the most common being physical examinations, company cars, club memberships and financial counseling services *(see chart below)*, although in the last five years even these near "compulsory perks" have thinned out, according a survey by Hewitt Associates.

Fewer companies are offering a broad panoply of perks. For example, the number of companies offering the most common perks —first-class air travel, airline VIP clubs, company plane, spouse travel, company car, club membership, executive dining room, home use of WATS hot line—has dropped by 6 to 10 percentage points in the five-year period.

The perk showing the greatest growth was communications equipment, a category dominated by the ubiquitous car phone that has grown from no respondents in 1987 to 37% of the companies in 1991, although only 0.4% of salaried exempt employees are eligible, according to the survey.

Corporate loans as a perk also began to expand into the work force, according to the five-year study. Five years ago, only 1.4% of a surveyed company's salaried exempt employees were eligible. This year, 5.4% can draw from the corporate loan pool.

The value of this perk was greatly diminished by the Tax Reform Act of 1986, which now requires executives to claim as income the difference between the low corporate rate and the existing market rate for an similar loan.

In lieu of perks, executives are being rewarded increasingly by long-term incentive plans that include stock options, performance plans and restricted stock. This portion of the total compensation package has risen from 19% in 1983 to 35% in 1991. □

Corporate perquisites get physical

Perquisities	% of companies offering perk 1991	% of employees eligible 1991	% of companies offering perk 1987	% of employees eligible 1987
Physical exams	89%	6.2%	93%	6.4%
Financial counseling	70		73	
Individual financial counseling	61	0.6	64	0.5
Estate planning	49	0.7	51	0.6
Income tax preparation	60	0.7	60	0.6
Club memberships	63		73	
Luncheon club	50	0.8	62	0.7
Country club	49	0.5	59	0.5
Health club	19	1.0	23	0.8
Company car	63	1.0	70	1.0
First-class air travel	60	0.6	66	0.6
Company plane	56	0.3	67	0.3
Personal liability insurance	46	0.9	48	0.9
Spouse travel	43	1.0	53	0.9
Communications equipment	37	0.4	NA	NA
Chauffeur service	36	0.1	42	0.1
Airline VIP clubs	32	1.1	38	0.6
Reserved parking	29	1.1	37	1.1
Home security systems	27	0.1	28	0.1
Executive dining room	26	1.3	34	1.5
Financial seminars	8	1.9	10	1.8
Home use of company WATS line	8	0.2	14	0.3
Home computer	7	0.6	NA	NA
Loans	7	5.4	8	1.4
Flexible perquisite plans	5	NA	NA	NA
Legal counseling	NA	NA	5	0.6

Survey by Hewitt Associates of 42 major U.S. industrial companies.

KIMBERLY MART

Long term

(Continued from Page S-6)

holding company's success, may include stock options and performance bonuses.

At Interpublic Group of Cos., incentive compensation arrangements, such as the ones being investigated by WPP Group, have been a fact of life for top executives for more than 10 years, notes Kent Kroeber, senior VP-human resources at Interpublic.

These arrangements, in which about 1,500 of Interpublic's 16,000 employees worldwide participate, "create a capital earnings opportunity" based on the performance of the individual, the agency and the holding company.

"Depending on [those factors] the opportunity for earnings is greatly enhanced," Mr. Kroeber says. "We measure performance not on an annual basis but longer-term. And what you find after a while is that a greater proportion of compensation is incentive-driven as compared to base salary."

The Interpublic stock-ownership plan, once the sole province of the very top executives, has moved recently into the VP level.

Through various other programs, incentive payments at Interpublic can more than double an executive's annual compensation, Mr. Kroeber says.

By offering additional carrots, incentive compensation programs let employers control base salary expenditures for the executive cadre.

"I don't have to pay outlandish base salaries, like they do at WPP Group, where they have no incentives and they have to pay outlandish base salaries in both good years and bad," Mr. Kroeber chides.

The down side for the employee is that if the company has a bad year, the money for incentives is not there. "But you have to look at the long term, not just one year," Mr. Kroeber stresses.

It's that down side to incentive compensation that makes many industry executives leery of results-sharing programs, especially in down periods like the current media recession.

Industry headhunters are finding that in today's economy, not many senior-level agency executives are willing to gamble with their base salaries or their deferred compensation plans.

"In these bad economic times, what we all need is the ready dollar to live on," says Susan Friedman, president of her own New York shop that recruits creatives for ad agencies. "The dark side is you don't have your hands on the money today."

For instance, with profit-sharing plans, employees must stay with a company for five to seven years to realize the full benefit of the plan. Stock options are not ready cash. They must be purchased at a stipulated price during a specified period of time.

Too often in the agency business, an employee may be out the door, whether as a result of account losses or cost-cutting measures, before becoming vested or eligible to take advantage of any of the incentive programs. That's compensation that could have been included in the base salary.

"There isn't an agency president today who wouldn't like to wave a magic wand and have a lower salary base with the promise of dramatic bonuses," adds Don Gilbert, partner at Gilbert, Farlie, which specializes in agency compensation.

"There are agencies that have traditionally operated that way, with bonuses a dramatic percentage of base salary," he says. "But it's really hard for an agency to convert employees into low salaries, high bonuses based on merit or agency performance."

Bonuses are perhaps the most favored short-term incentive to improve executive performance. At Leo Burnett USA, bonuses are paid annually, with the amount determined by factors such as seniority and occupational position, says Jack Kraft, vice chairman-finance and administration.

In theory, a bonus is a discretionary expense. "It's not a locked-in, fixed expense like salaries," says Dick Corelitz, exec VP-director of finance and administration at Bayer Bess Vanderwarker, Chicago.

As results-sharing compensation arrangements move further into the management ranks, it behooves agency employees to pay more attention to how the compensation programs work.

"It seems more agencies are positioning a bonus to justify a lower than market-value salary," notes Ms. Fortini-Campbell. "So you're very much betting on the income, and that's harder for people to plan their lives. It depends on you staying beyond the 10 years that's the average tenure in this industry, and on your agency doing well, which is generally out of the control of any single individual." □

Unsaddled from perk, exec horses around

Andy Ray is now letting British Rail do the driving.

For want of a perk, Andy Ray got a horse.

Mr. Ray, a 28-year-old senior copywriter at Foote, Cone & Belding, London, lost his corporate car earlier this year when FCB eliminated the perk in a budget-cutting move *(see accompanying story)*.

He may have lost his Mazda MX5, but he got A Nymph Too Far. That's a 2-year-old filly—a thoroughbred racehorse bought as part of a syndicate with the monthly "travel" allowance FCB installed as compensation for the reclaimed car.

"I don't ride her," jokes Mr. Ray, whose interest in the Nymph is purely sporting. "I'm too heavy, anyway."

Now British Rail zips him to work, cutting through traffic-snarled London and giving at least one horse lover a chance to catch the postings of a lost perk from the tracks at Bath to Hamilton to Brighton . . . and to dream about the big time.

—Elena Bowes

A comeuppance for driven execs

FCB bucks U.K. tradition in eliminating company car

By Elena Bowes

Eliminate company cars!" came the collective cry from Foote, Cone & Belding administrators earlier this year when cost-cutting measures dipped into that most prized of British corporate perks.

The company car for years has been considered a given, not a perk, by U.K. advertising and marketing companies, which grant such privileges deep into the corporate structure. Company cars comprised 52% of all new car sales in 1990, according to the U.K. Department of Transport.

But the recession, which is forcing the industry to cut compensation rather than heads, and a new corporate tax hike on the private use of business cars are forcing employers to rethink the time-honored tradition.

A phase-out of the car perk would put British companies squarely on the trend path of their U.S. counterparts.

U.S. companies have been cutting just about all transportation-related incentives for the corporate elite in the past five years while giving increasing importance to long-term incentives, stock options and performance plans. Unlike the British, few U.S. companies have awarded the car perk below the top 1% of the corporate structure *(see chart on Page S-10)*.

FCB's move will save the agency $425,000 annually. That's the difference between $1.02 million—the cost of depreciation, financing, insurance, gas, parking, maintenance and the 1.5 employees managing the fleet—and the $595,000 the agency is now spending on monthly travel allowances as compensation.

"We felt compelled to offer the allowance," says Chris Whitworth, group finance director, "because cars in a company like ours are really part of the remuneration. Taking them away without pay would be equivalent to cutting salaries."

While no other major agency has dared to eliminate the perk, many are trading down or holding onto their fleets longer.

Ogilvy & Mather has extended the lease on its company cars from three to four years. Other agencies have offered employees a cash incentive to downgrade to cheaper models.

"The Porsches and Ferraris have disappeared," says Morgan Johnson, executive director at Grey Communications Group in London. "Now you're seeing large family saloons [station wagons]."

"In the old days people could be far more arrogant about their position. If someone really wanted a [Fiat] Spider, the employer could do it. But now the stick is in the [employer's] hand, not the [job] candidate's," notes Steve Ingham, director of marketing of London recruitment company Michael Page Marketing.

"We've got our hands tied in metal," says Tim Lindsay, the London-based joint managing director of Young & Rubicam, referring to agencies in general. "Every company finance director is looking at the marginal benefit of the company car."

While advertising and marketing execs may be driving fewer sports cars to the office, their

Limited Offer.
Unlimited Information.

The NEXIS® electronic information service can give you a clearer perspective on today's business environment, with current facts, historical information, even expert analyses and viewpoints, right at your own PC. And for the next 90 days, it's available at a significant discount. So call for the NEXIS® service today. Because not only is the information unlimited, so is your potential. NEXIS®

CALL 1-800-227-4908 NOW.

©1991 Mead Data Central, Inc. All rights reserved. NEXIS and LEXIS are registered trademarks for information products and services of Mead Data Central, Inc.

take-home pay has not suffered similar cutbacks.

According to Mike Walsh, chairman of Ogilvy & Mather in the U.K., "There's a demand for good people. I don't think salaries in advertising have gone down."

Abetting the budget freeze is reduced employment. The advertising industry has shrunk 13.3% in the last two years from 15,900 employees in 1989 to an expected 13,800 this year, according to the Institute of Practitioners in Advertising, a U.K. trade body.

Mr. Johnson of Grey estimates total industry compensation may have fallen by up to 10%, but individual salaries have either stayed constant or risen this year.

Bill Couldrey, managing director of Reward Group, a U.K. company specializing in remuneration, says U.K. marketing salaries have risen 9.9% from September 1990 to September 1991, compared with 10.7% for the previous 12 months. While this year's increase is smaller than last year's, inflation has plunged from 10.9% in 1990 to 4.1% today.

The top earners at Saatchi & Saatchi Co. and WPP Group, which both went through severe financial restructuring earlier this year, have taken massive salary cuts as a result of their companies' huge drops in profitability. WPP Group Chief Executive Martin Sorrell, Saatchi Chairman Maurice Saatchi, his brother Charles and Saatchi CEO Robert Louis-Dreyfus have each taken steep pay cuts.

The Saatchi brothers' have seen their salaries fall from $1 million a year each to $530,000 in two years, while Mr. Louis-Dreyfus renounced 40% of his salary, dropping it to $510,000. Mr. Sorrell has taken a more modest cut, from $1 million in 1989 to $862,000 in 1990.

O&M directors gave up their bonuses voluntarily last year, Mr. Walsh says. "People understand the reason we are doing this is . . . to avoid firing people."

O&M also has eliminated departments that don't affect client service, such as the typing pool and the personnel department. Its direct marketing arm, Primary Contact, gave its staff a week's unpaid vacation to save money.

Cutting corporate fat is not all bad news. According to FCB's Mr. Whitworth, several employees have used the monthly allowance they get in place of the company car to buy things prohibited in the old policy, including a Jaguar XJ5, an old MGB and a one-tenth of a racehorse. □

Free cars drive U.K. perks

Perquisites		Total	Managing Director	Marketing Director	Marketing Manager	Group Product Mgr.	Sr. Product Manager	Product Manager	Asst. Product Mgr./ Marketing Asst.
		Percent of employees eligible							
Car	1991	86%	98%	99%	93%	96%	92%	75%	20%
Free gas	1991	47	74	73	48	39	39	31	12
Gas allowance	1991	10	7	7	10	11	13	13	13
Car allowance	1991	5	5	4	4	3	4	6	10
Health plan	1991	73	73	88	78	71	74	60	35
	1990	72	74	86	76	76	72	58	29
Contributory pension	1991	68	63	67	70	77	76	64	59
	1990	69	58	71	72	71	74	66	62
Performance related bonus	1991	54	67	75	56	52	44	38	30
	1990	50	65	74	53	47	36	32	27
Relocation expenses	1991	47	43	57	49	59	51	44	15
	1990	49	31	55	53	54	56	46	19
Other travel benefits/expenses	1991	44	52	49	45	44	35	43	35
	1990	41	48	45	43	40	34	33	35
Company credit card	1991	33	46	47	33	35	26	26	13
	1990	31	46	48	31	26	26	23	8
Share option program	1991	31	29	43	30	30	32	24	17
	1990	32	32	46	30	30	39	25	20
Non-contributory pension	1991	26	38	31	26	19	19	24	19
	1990	29	45	32	27	25	28	23	24
Profit sharing	1991	22	31	28	19	18	19	18	16
	1990	22	29	26	23	11	20	13	20
Guaranteed bonus	1991	11	9	11	11	14	11	9	10
	1990	13	14	11	13	11	15	13	13
Private education for children	1991	1	3	2	NA	NA	NA	NA	1
	1990	1	1	2	1	NA	1	1	NA

Source: The Lloyd Group

Advertising Age graph: John Hall

Working in France has a price to pay

Salaries lag, but media units show signs of improvement

By Bruce Crumley

Despite having raced past most other industry sectors in growth, profitability and international expansion in recent years, the ad community still finds itself tailing the typical French compensation pack.

The average agency head earns $122,000 annually, including perks, according to a recent Association of French Advertising Agencies study, far from the mean salary of $220,400 commanded by presidents of client companies.

Reasons for the salary disparity abound, according to industry observers. In advertising there is no union pressure to push up salaries as there is in the industrial sector; agency top executives remain founder/-managers and have directed profits back into growth rather than into their own salaries or staffers'.

Another reason for the disparity is the ad industry's Johnny-come-lately rise to respectability.

It took a while, but advertising is now considered a marketing imperative, leading to the total integration of the ad community into French life: from the marketing of President Francois Mitterrand—the task of Euro RSCG's Jacques Seguela—to Eurocom's Andre Azoulay overseeing the privatization of investment bank Paribas.

The study also indicates a high degree of egalitarianism in the agency structure, disclosing average salaries of creative directors of $119,140, and $117,000 for international ad directors.

J. Bille

The survey of 3,571 employees of 49 French agencies, however, found that 12 agency executives in the corner office were paid more than $205,000.

Although AFAA would not say who the top earners were, it noted the larger Paris-based agencies were more profitable and better-placed to offer higher packages than smaller shops in Paris or the larger agencies in the provinces.

"The average upper-level salaries are less consequential than we thought . . . given the impressive growth of advertising over the past five or six years," says Jacques Bille, AFAA VP.

According to the association, ad spending in France during the last seven years nearly doubled, from $6.5 billion in 1984 to $12.6 billion in 1990 for an annual growth that averaged 11.7%.

In the last three years of this period, the ad industry advanced from 12% in 1988 to 11.5% to 8% in 1990, but the average salary increased only 6%, 5% and 3%, respectively. In France as elsewhere, salaries gen-

(Continued on Page S-16)

IF YOU THOUGHT GREAT BEACHES WERE TAMPA BAY'S ONLY DRAW . . .

You've been out in the sun too long.

While miles of unspoiled beaches and near-perfect weather have made Tampa Bay a popular tourist destination, the area offers much more than sun and sand.

One of the nation's fastest-growing metro areas, Tampa Bay has now become Florida's #1 metro in population, #1 in households, #1 in effective buying income, and #1 in retail sales. In the past year alone, Coca-Cola Refreshments Co., and Metropolitan Life Insurance Co. announced plans to locate new operations in the Tampa area.

So it's not surprising that younger people keep moving to Tampa Bay — population has been growing by 125 people every day through the last decade.

And it's not surprising either that Tampa Bay keeps up with the Times. The St. Petersburg Times, Tampa Bay's largest newspaper, beats The Tampa Tribune in metro circulation by more than 106,000 papers daily and 122,500 on Sunday.

So catch the new wave of growth in Tampa Bay. **Call 1-800-333-7505, ext. 8249,** for your copy of the *1992 Life and Times of Tampa Bay,* containing the latest information on the thriving Tampa Bay market and the newspaper that serves it best.

Sources:
1980 and 1990 U.S. Department of Commerce, Bureau of the Census
1991 Sales and Marketing Management Survey of Buying Power
ABC audit report for 12 months ending 12/31/90.

Represented nationally by CWO & O, (212) 750-7040.

St. Petersburg Times
Tampa Bay's Largest Newspaper

If salaries are topic, then vitriol spills out

Survey respondents get emotional as they decry unpaid overtime, lousy raises

A survey about that most personal of subjects—salaries—is bound to provoke a highly emotional response.

While most of the returns to the *Advertising Age* Salary Survey questionnaire were quickly dispatched by the respondents, a number of returns contained some heart-felt emotion.

Heavy, paper-tearing pencil strokes—especially from those in the $20,000-$30,000 salary range—spoke of the anguish and resentment over past, present and future salary levels.

Others left nothing to the imagination. They scribbled comments in the margins. A sampling of condensed comments from the field follows:

"Company won't pay overtime, now or ever, but *will pay* secretaries O.T. because they are non-exempt salaries."

"No raises in '92 because 70 people were laid off between Dec. '89 and May '91, but the media director in his position less than a year insisted on a newly furnished office. Cost estimate? $100,000-plus."

"I'm not sure I want more money. What I'd really like is less stress, less hours. Of course, more money would also be nice . . ."

"They doubled my work, increased my hours. I gave up home and social life. Was the salary increase worth it? NO!"

This response was penned on a sheet of note paper headlined: "The Career Woman's checklist for success . . ." with trailing copy, "Look like a lady; act like a man; work like a dog."

"All salaries frozen this year."

"Laid off???"

This was offered as a response to a question asking what salary was expected in 1992.

"Pretty good for Austin, Texas," wrote a senior account executive about the $36,000 in salary received this year.

"You should correlate $ with a question on whether people are *happier*."

Although respondents weren't asked to identify their employers, one wrote, "Why hide it? It's JWT/Detroit where they pay media planners little more than secretaries."

Peter Kuper/The Image Bank

While margin scribblers are more likely to be disgruntled than satisfied employees, one reader crafted a response that was almost painful to read, but one that's probably not that uncommon in this time of high unemployment in a contracting industry.

The edited text follows, detailing the trials of trying to make it in the ad business:

"When I was in college, I never really knew what I wanted to do. I went there to learn about the world, not train for a career.

"As time passed, I found out about public relations and advertising; both of which were thought of as hot areas. Glamor jobs.

"There was intense competition among advertising and public relations majors.

"I chose to earn a liberal arts degree rather than specialize, thinking that I'd be able to go into PR and still get a classic education.

"Since graduation, I have worked my ass off for several bosses.

"You'd recognize the story: I started at $5 an hour to get some experience. I worked in media space sales in another job. Now I'm an account exec for a large PR firm in a large metropolitan city.

"It's a position many of my fellow students would envy. I am 'privileged' to work with media of all kinds, plan special events, create new-business presentations, etc., plus manage the agency's own PR and new-business efforts.

"I work 60 to 75 hours per week. Until recently, I worked every weekend until my husband laid down the law.

"I am required to kiss the asses of clients, who in real life I wouldn't give the time of day. I've been told by my boss to work 15 hours a day if I have to 'because you're young' and 'can handle it.'

"Recently another account exec quit. He handled the advertising for our clients while I had handled the PR.

"I was required to assume his duties, too. Meanwhile, my boss took a vacation.

"Six weeks later he found a replacement. Why should he pay two people when I'm dumb enough to do the work of two for one low price?"

"The point is that I work like a slave and get no thanks, no rest, no help and no overtime pay.

"My salary, if you consider my hours, is little more than the $5 an hour I made two years ago.

"I have insomnia, I've gained 10 pounds, have no social life unless I attend a function for work, which is usually two or three nights a week.

"I wish I could go back to college and tell everyone advertising is not at all what it is cracked up to be. It's a sham. Maybe someone can tell me it's just my place of employment.

"And don't tell me to find another job. In this town, I'm envied because I even have a job. There are no other jobs.

"Do you have any idea what it's like to be taken advantage of? To make less than $20,000 a year in your mid-20s when you're intelligent, creative and making the company money?

"I denounce this profession. And I am looking for other work. Maybe teaching or working for a food shelter. Then maybe at least my $5 an hour will mean something."

Like discussing religion and politics, the issue of salary can unleash a wealth of pent-up emotions.

Editors on this project sulked for days after reviewing a form sent in by a media director in the mid-Atlantic states noting total compensation of $125,000 in 1991 and $200,000 expected in 1992. □

THE LINK TO STAYING AHEAD

THE MARKETING LINK is your link to highly qualified professionals experienced in addressing Marketing and Marketing Research issues.

Through THE MARKETING LINK, you can temporarily hire valuable expertise on an "as needed" basis. All our candidates are carefully screened. We make sure the candidates we present match your needs exactly.

So give us a call. Discover how THE MARKETING LINK can be a very effective and competitive way of staying ahead of today's demand of doing more work with less staff.

THE MARKETING LINK

2850 N. Racine Suite 201 Chicago, IL 60657
312/248-9070

HIRE GOALS.

When you're in search of the best, there can be no compromises. The Forum Personnel Advertising and Marketing Division is committed to uncompromised goals of excellence. Goals higher than most, which help us to provide you with only the most qualified professionals in the business:

• *Advertising* • *Sales Promotion*
• *Account Management* • *Media*
• *Graphic Arts* • *Production* • *Traffic*
• *Marketing* • *Market Research*

For information contact:
Karen Katz, VP/Principal

FORUM PERSONNEL INC

342 Madison Ave., New York, NY 10017
212-687-4050

Working in France

(Continued from Page S-13)

erally lag growth.

Also, as the marketplace has begun to contract due to the economy, there is a fear among agencies that clients will reduce expenditures and commissions. No agency wants to get too top-heavy in salary expenses under such conditions.

Mr. Bille notes that calculated into salary tallies are perks, from the company car to stock-option plans and performance pay. These have become an increasingly important factor in total compensation, although they remain a focus of top management.

On the whole, ad industry salaries have risen 8% to 9% from 1990 to 1991 for a real growth of about 6% given the 2% to 3% inflation rate, says AFAA, although it expects agencies to scale back payouts in 1992.

The survey also showed women, who comprise more than 62% of the advertising work force, are paid less than men.

While women in some categories do earn more than men (over $2,400 annually as agency presidents), overall salaries are 7% less.

There are wide disparities within job groupings, however.

Among creative directors, women make 58.5% less than their male counterparts, and among development directors, 18.7% less.

> "Average upper-level salaries are less consequential than we thought given the impressive growth of advertising over the past five or six years."

Within the French agency business there have been bastions of accelerated salary growth—particularly in shops' media departments.

"Ten years ago, a media director in Britain would have been paid much more than one in France because the role was less crucial in the French market," Mr. Bille says. "Today, a media director would be paid about the same in both countries."

The challenge that independent media wholesalers like Carat Espace have posed by competing for lucrative media budgets has caused agencies to develop their media planning and buying divisions more quickly over the last decade, according to Mr. Bille. Carat has lured many top agency media executives with larger salaries, leading to an inflation of salaries in the media departments at agencies.

Media departments still constitute a small part of French agencies' overall compensation, claiming 8.8% of total salaries. Some 8.6% of France's agency personnel reside in the media department, compared with 31% of agency personnel in client services, which draws 33% of the total pay.

"It is obvious that salary growth next year will be less than in recent years, and maybe even flat in real terms," Mr. Bille says. "In fact, we were surprised that salary increases last year had already begun to slow." He attributes the slowdown to planning for the effects of a war following the Iraqi invasion of Kuwait. □

Affordable insurance best way to keep benefits packages healthy

Survey respondents selected three benefits they considered most important from the following list

Benefit	Total times selected	Percent of all selections	Total times selected by men	Percent of all selections by men	Total times selected by women	Percent of all selections by women	Total times selected by agency personnel	Percent of all selections by agency personnel	Total times selected by client personnel	Percent of all selections by client personnel
Low-cost health insurance	379	26.23%	192	25.50%	185	26.97%	188	27.45%	182	25.07%
Pension	253	17.51	122	16.20	130	18.95	112	16.35	137	18.87
Annual bonus	252	17.44	149	19.79	102	14.87	119	17.37	128	17.63
Profit sharing	164	11.35	102	13.55	61	8.89	90	13.14	73	10.06
Flex time	71	4.91	23	3.05	47	6.85	39	5.69	27	3.72
Company car	67	4.64	41	5.44	26	3.79	23	3.36	43	5.92
Stock options	66	4.57	45	5.98	21	3.06	14	2.04	51	7.02
Life insurance	55	3.81	36	4.78	19	2.77	28	4.09	26	3.58
Comp time	50	3.46	20	2.66	30	4.37	24	3.50	23	3.17
Overtime pay	21	1.45	5	0.66	16	2.33	15	2.19	6	0.83
Childcare assistance	31	2.15	5	0.66	26	3.79	16	2.34	13	1.79
Leave of absence	19	1.31	5	0.66	14	2.04	11	1.61	6	0.83
Eldercare assisitance	2	0.14	0	0.00	2	0.29	0	0.00	2	0.28
Health club	11	0.76	7	0.93	4	0.58	4	0.58	7	0.96
Job sharing	4	0.28	1	0.13	3	0.44	2	0.29	2	0.28

Source: Ad Age Salary Outlook survey

Advertising Age graph: Cynthia Watson

Outlook

(Continued from Page S-1)

ity is that women respondents have been working fewer years and in their current jobs for less time than male respondents. Women respondents average 33 years of age, have been in their field an average of eight years and spent the last three in their current post.

Unlike the mirror effect between men at agencies and clients, women on the advertiser side make a noticeably higher salary than those in agencies. Women employed by clients are paid an average $44,325. They expect $47,478 in 1992, compared with agency women who receive an average $38,487 and expect $41,047 next year.

The gender gap isn't as big a factor when the subject is job satisfaction. Here the gulf exists between agency and client employees.

Among men, 64% of client-side respondents believe their standard of living increased since 1989, compared with 56% of men in agencies. More agency men believe they are working harder for less pay—54% vs. 48% of client employees.

Both groups of male employees are equally pessimistic about 1992, however. Only 44% of both groups believe their standard of living will rise in 1992.

The opinions of women at agencies track client women in virtually the same manner. About 68% of client women see their standard of living increasing since 1989, compared with 58% of agency women.

The gaps between the sexes return in ratings the attractiveness of benefits.

When asked to identify three benefits they deem most important, men put more stock in the annual bonus and stock options than women. Women assigned high marks to those benefits, too, but showed more interest than men in pension, flex time, overtime, compensatory time, leave of absence and childcare.

Total responses to the survey were split between women and men. Few job titles seemed a bastion of any gender, except several higher administrative posts (ceo, president, et al.). The numbers in this sector were not so high (29 men vs. 20 women surveyed) that they did not compromise the data.

Standard of living improves

About 62% of respondents say their standard of living increased

(Continued on Page S-20)

TAKE A MARKETING TIP FROM THE EXPERTS

NEW! New Product Development Checklists
George Gruenwald, former CEO, Campbell-Mithun Inc.
Gruenwald converts his proven *New Product Development* process into a set of easy-to-follow comprehensive checklists. **#AA3217-3, $17.95**

New Product Development
Stage-by-stage guidance from the initial "need" to the critical "introduction" of new products. Case histories of Land O' Lakes Margarine, Fisher-Price and Toro add valuable insights. *An Executive Book Club Alternate.* **#AA3085-5, $34.95**

New Product Development Video
George Gruenwald shares his seven steps to success in a new 52-minute VHS format video. **#AA3350-1, $59.95**

SAVE 25% on Complete Package: Both Books plus Video
***Would cost $112.85 separately.* #AA3351-X, $84.65**

How to Write a Successful Marketing Plan
Roman G. Hiebing, Jr. and Scott C. Cooper
Everything you need to develop a disciplined, comprehensive, "real world" marketing plan that will help you define and maintain your objectives. *An alternate selection of the McGraw-Hill, Executive Program and Fortune Book Clubs.* **#AA3197-5, $79.95**

Strategic Market Planning
Robert J. Hamper and L. Sue Baugh
Expert help in gathering company and competitive data and using that data to create a flexible, on-target marketing plan. *A selection of the Executive Program Book Club.* **#AA3215-7, $29.95**

How to Get the Most Out of Trade Shows
Steve A. Miller, Trade Show Marketing Consultant
All the "hows" you need to know: preparation, planning, staffing, studying competition, boosting sales, broadening customer and supplier contacts, following up on leads. **#AA3193-2, $24.95**

Honomichl on Marketing Research
Jack J. Honomichl
Advertising Age's marketing columnist shares his insights, skills and "inside" stories, including the winning marketing techniques used by Ore-Ida, A.C. Nielsen and Ronald Reagan. **#AA3096-0, $29.95**

Advertising & Marketing Checklists
Ron Kaatz, Northwestern University
77 proven checklists to save time and boost advertising effectiveness: evaluating strategies, developing new ideas, buying media and planning presentations. **#AA3198-3, $17.95**

NEW!
Effective Business Decision Making
...and the Educated Guess
William E. O'Dell, Founder, Market Facts, Inc., Former President, American Marketing Association

Foreword by Peter G. Peterson, Former U.S. Secretary of Commerce

How to untangle your thorniest dilemmas and save hours of needless research. Learn how to separate winning decisions from disastrous ones. *A Fortune Book Club Main Selection.* **#AA3289-0, $27.95.**

FOR FASTER SERVICE . . . FAX: 708-679-2494
PHONE YOUR ORDER: 1-800-323-4900 (or 708-679-5500)

❑ Payment Enclosed ❑ VISA ❑ MasterCard AD 0181
❑ American Express ❑ Diners Club

Acct. No. _____ Exp. Date _____
Signature _____
Name _____ Title _____
Company _____
Address _____
City _____ State _____ Zip _____
Phone (____) _____

QTY	TITLE	CODE	PRICE	EXT.
	NEW PRODUCT DEVELOPMENT CHECKLISTS	AA3217-3	$17.95	
	NEW PRODUCT DEVELOPMENT	AA3085-5	$34.95	
	NEW DEVELOPMENT VIDEO	AA3350-1	$59.95	
	SET OF ALL 3 ABOVE: 2 books/video	AA3351-X	$84.65	
	HOW TO WRITE A SUCCESSFUL MARKETING PLAN	AA3197-5	$79.95	
	STRATEGIC MARKET PLANNING	AA3215-7	$29.95	
	HOW TO GET THE MOST OUT OF TRADE SHOWS	AA3193-2	$24.95	
	HONOMICHL ON MARKETING RESEARCH	AA3096-0	$29.95	
	ADVERTISING & MARKETING CHECKLISTS	AA3198-3	$17.95	
	EFFECTIVE BUSINESS DECISION MAKING	AA3289-0	$27.95	
			SUBTOTAL	

Mail this coupon to:
NTC Business Books
4255 W. Touhy, Lincolnwood, IL 60646-1975

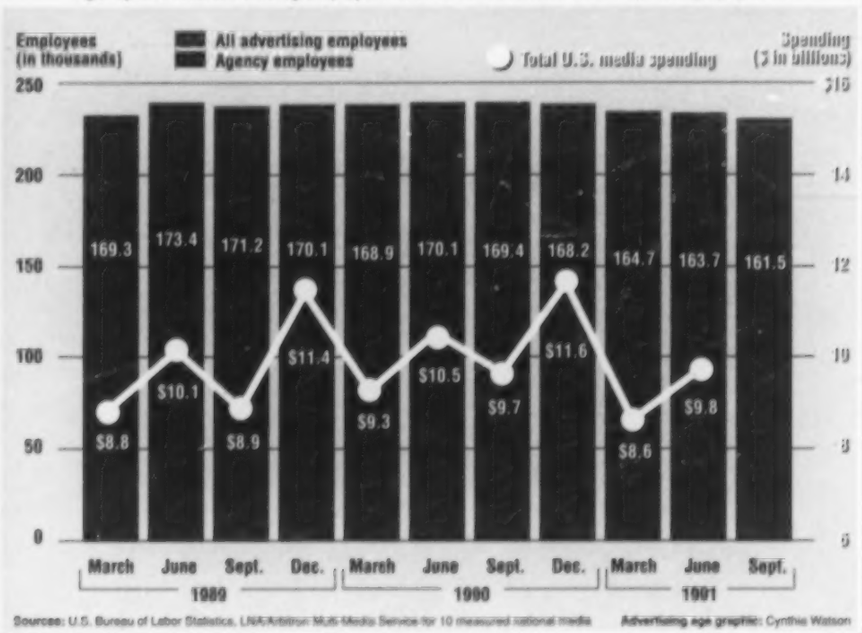
*Add $2.00 postage & handling for the first book and $1.00 for each additional book

*POSTAGE & HANDLING
SALES TAX: IL & CA ONLY
GRAND TOTAL

NTC Business Books
a division of NTC Publishing Group
4255 W. Touhy Ave., Lincolnwood (Chicago), IL 60646-1975

Billings drop brings down employment

Agency and total advertising employment, and national measured ad spending by quarter



Sources: U.S. Bureau of Labor Statistics, LNA/Arbitron Multi-Media Service for 10 measured national media. Advertising age graphic: Cynthia Watson

Burnett takes job lead

(Continued from Page S-2)

administration and finance, explains the cut by noting existing clients are spending less. He expects the year to be flat in the U.S. with $2 billion in billings.

But in explaining the huge increase in staffing at Burnett, he claims, "We have more work than ever, even though clients are spending less. We refuse to lower the quality of the product [by cutting staff]. If you're building an Olds and not a Yugo you don't start building a cheaper car."

Mr. Kraft says Burnett is "dipping into profits to pay for the buildup . . . which we can do because we're not paying off heavy debt or appeasing stockholders. This may or may not contribute to new business in 1992."

"Our clients face a reluctant consumer," says Joseph E. De Deo, president-ceo at Young & Rubicam. "We anticipated some of this at the beginning of the year," he says, "and made cuts through attrition and by offering early retirement."

He says 1991 will go down as a bad year. It defied predictability, he claims.

"We thought things would return to normalcy after the Persian Gulf War, but they didn't . . . then we expected a turn-up in the fourth quarter. That is not going to happen. We're holding a conservative attitude toward 1992," Mr. De Deo says.

So, too, is Lintas, which has discovered traditional advertising is being short-circuited by sales promotion and direct response, two short-term marketing services, which for Lintas feed into its integrated marketing services.

But despite new client gains at Lintas, only one client came in over forecast this year—Lego Systems. "In the past two years we've learned that budgets [levels] don't end up as the ones started with," says Mr. Roberts.

Jon Lafayette and Gary Levin contributed to this story.

Pessimism fills outlook

(Continued from Page S-17)

since 1989, while only 16% say it didn't and 21% note no change.

Of the large segment that saw an increase in standard of living, 60% expect that pattern to continue in 1992; 33% anticipate no growth; and 7% predict a decline in their '92 standard of living.

Of the 16% who say their standard of living decreased the past three years, nearly three out of four believe their standard of living will either decline further or experience no change in 1992.

The salary level of this 16% is currently at an average $54,680, down from $55,799 in 1990. The data suggest that a barrier of sorts is present in the low-to-mid-$50,000 range, the salary breaking point between corporate climbers and the rank and file.

For those who perceive their standard of living on the rise, their salaries have risen from an average $50,223 in 1990 to $54,585 in 1991, to an anticipated $59,549 in 1992.

There is a hint of job dissatisfaction filtering through the data among those whose standard of living is not on the upswing. More than three-fourths of that group feel they worked harder for less pay in 1990 and 1991 and 60% of them are putting in longer hours than the previous year.

Conversely, of those whose standard of living is on the upswing, they seem less harried. Only 60% of them are not working harder vs. 38% who are, and 50% are not working longer hours vs. 48% who are. The rest see no change in their hours.

Regardless of movement in standard of living, just about 60% of all respondents believe the fastest way to increase salary is to move to another company.

Is the grass really greener?

About 16% of all respondents, in fact, changed jobs since 1990. More women than men see a job change as breathing new life in their salaries, but fewer took the plunge since 1990—16% of women, compared with 17% of men surveyed.

But contrary to popular belief, changing jobs does not bring the boon in anticipated salary growth.

Average salaries of men changing jobs rose 4% to $50,097 in 1991. By contrast, the average salary increase for all men was 7.6%. Those men changing jobs also tend to be on the lower end of the pay scale, because the average salary for a male respondent was $66,373 in 1991.

The same holds true for women changing jobs. Their salaries after the switch rose 3% to $38,310, compared with a salary increase of 4% to $41,408 for all women respondents.

Average age of job-changers was 37 for men and 31 for women. The men have been in advertising/marketing an average of 11 years vs. six for women.

The most active job market was in the West South Central states (Texas, Oklahoma, Louisiana, Arkansas) where 25% of regional respondents changed jobs since '90.

The Southeast, from West Virginia to Florida, ranked second at 19.7%. The Midwest, basically north and east of the Ohio and Mississippi Rivers, ranked third in job changes at 19.2%. It is not known if the job moves were inside or outside the region.

Regional pay varies

Of the five dominant ad regions surrounding hubs—New York-Philadelphia, Chicago-Detroit, Dallas, Atlanta and Los Angeles-San Francisco—the New York-Philadelphia region led in salary size, averaging $58,700 in 1991 and an anticipated $61,200 in 1992.

That compares with an average $48,000 in 1991 and an expected $52,200 in 1992 for the Midwest region dominated by Chicago, and a current $54,900 and anticipated $60,900 on the West Coast.

Advertising professionals in all regions have doubts their standard of living can keep pace with levels enjoyed in 1989 through 1991. In the New York-Philadelphia region, for example, 62% of respondents say their standard of living increased since 1989. But only 45% believe their standard of living will improve in 1992, and 53% see either a decrease or no change even with salary increases. This pattern is universal.

Survey nuggets

- 93% of respondents are Caucasian, not including a Hispanic 2%; 3% are black and 1% Asian.
- Average salary is $54,526 in 1991, with $58,651 expected in 1992; not included in salary is an average bonus of $10,022 in 1991 and average pension contribution of $4,832.
- Of 493 total respondents, 235 are from agencies, 246 from clients and the remainder not identified.
- Among clients, advertising titles drew the second-largest number of responses, the most popular title being ad manager at an average pay of $50,021 for men and $35,101 for women.
- About 59% of respondents view changing jobs as the quickest way to increase income; 17% believe staying put can do the same trick; 12% see changing fields a better solution "to getting ahead" than leaving or staying.
- 16% of respondents have changed jobs since 1990.
- The New York-Philadelphia region drew the most responses—23.5% of the sample—closely followed by the Midwest (largely Chicago), 21.1%; and the West Coast, 13.6%.
- The benefits identified as among the more important by men and women respondents were low-cost health insurance (26.2% of respondents), pension (17.5%), annual bonus (17.4%) and profit sharing (11.4%). □

PMI Puts Equal® to the Test

When Equal® sweetener wanted to reach 1,000,000 consumers in 6,000 super-markets during an 8 week time-frame, they called on Promotional Marketing, Inc. From concept to materials, trade communications to in-store executions, PMI delivers.

Head to head against the competition, Equal® and PMI proved:

QUALITY DELIVERS!

If your product needs in-store sampling or demonstration, a proprietary special event, or consumer direct marketing, call Laird Gann.

Equal is a registered trademark of The NutraSweet Company

PROMOTIONAL MARKETING, INC.

152 West Huron St., Chicago, IL 60610
312.943.0900

AD SALES
AD DIRECTORS
PUBLISHERS
PRODUCTION

NATIONWIDE • CONFIDENTIAL QUALITY REFERRALS

ELSA ROSS - Vice President
New York: (212) 687-6615
Chicago: (312) 781-0043
FAX: (212) 697-9135

GARDNER ASSOCIATES
Executive Recruitment & Search Division
300 MADISON AVENUE - NEW YORK CITY, NY 10017

TRACKING SHARES

The best way to reach black TV viewers

Black viewers' favorite TV shows differed widely from those of general audiences during the 1990-91 TV season. Ratings are from Nielsen's Television Index for September 1990-April 1991.

TOP 10 SHOWS AMONG BLACKS	Rating among Blacks	Rating among Gen'l aud.
A Different World (NBC)	43.6	18.0
The Bill Cosby Show (NBC)	39.0	17.4
Fresh Prince of Bel Air (NBC)	34.2	13.2
In Living Color (Fox)	31.1	10.4
In the Heat of the Night (NBC)	27.7	15.2
Family Matters (ABC)	27.3	15.8
Blossom (NBC)	27.1	11.3
Cheers (NBC)	26.4	21.5
Amen (NBC)	25.5	10.1
Ferris Bueller (NBC)	25.4	11.1

TOP 10 PRIME-TIME SHOWS	Rating among Gen'l aud.	Rating among Blacks
Cheers (NBC)	21.6	26.4
60 Minutes (CBS)	20.6	18.7
Roseanne (ABC)	18.2	15.1
A Different World (NBC)	17.9	43.6
The Bill Cosby Show (NBC)	17.4	39.0
Murphy Brown (CBS)	16.9	12.8
America's Funniest Home Videos (ABC)	16.9	7.1
Empty Nest (NBC)	16.7	19.9
Designing Women (CBS)	16.7	13.9
America's Funniest People (ABC)	16.7	10.5

Source: Nielsen Media Research

Blacks reveal TV loyalty

MEDIA WORKS

While overall ratings for the Big 3 networks continue to decline, a BBDO Worldwide analysis of data from Nielsen Media Research shows that blacks in the U.S. are watching network TV in record numbers.

"Television Viewing Among Blacks" shows that TV viewing within black households is 48% higher than all other households. In 1990, black households viewed an average 69.8 hours of TV a week. Non-black households watched an average 47.1 hours.

The three highest-rated prime-time series among black audiences are "A Different World," "The Cosby Show" and "Fresh Prince of Bel Air," Nielsen said. All are on NBC and all feature blacks.

"Advertisers and marketers are mainly concerned with age and income, and not race," said Doug Alligood, VP-special markets at BBDO, New York. "Advertisers and marketers target shows that have a broader appeal and can generate a large viewing audience."

Mr. Alligood said this can have significant implications for general-market advertisers that also need to reach blacks.

"If you are running a general ad campaign, you will underdeliver black consumers," he said. "If you can offset that delivery with those shows that they watch heavily, you will get a small composition vs. the overall audience."

Hit shows—such as ABC's "Roseanne" and CBS' "Murphy Brown" and "Designing Women"—had lower ratings with black audiences than with the general population because "there is very little recognition that blacks exist" in those shows.

"This turns off black viewers who want to see a world that acknowledges blacks, even if they are not the star," he said.

A network show won't be successful unless it also attracts a large black audience, said Ken Smikle, president of the African American Marketing & Media Association, an organization of black-owned ad agencies and communications companies.

"The more advertisers are interested in reaching this audience, the more networks and independent stations will be interested in delivering this audience," he said. □

MEDIA STRATEGY: HONDA

ABC, Honda revive cast commercial

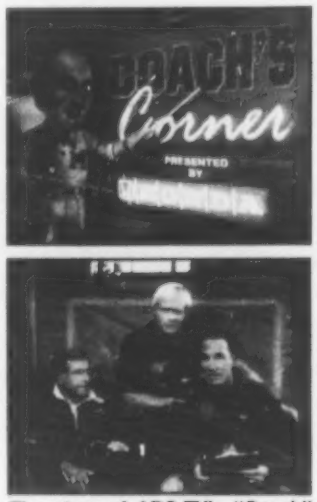
Details on the media strategy of a recent campaign.

Cast commercials are coming back to TV, years after casts of prime-time shows like "The Beverly Hillbillies" would sit down to breakfast and eat a bowl of Kellogg's Corn Flakes.

While the networks have been integrating advertisers' plugs into their program promotions for about a year, none involved pitches from stars of a network series. Until now.

Starting last month and running through yearend, ABC is using "Coach" star Craig T. Nelson to plug American Honda Motor Co. in an integrated program/product promotion called "Coach's Corner."

The 30-second spots air Monday night at the end of ABC's "MacGyver," leading into "NFL Monday Night Football," and show Mr. Nelson and co-star Jerry Van Dyke bantering about the upcoming game. The segment is followed by a 15-second Honda commercial and a tagline delivered by Mr. Nelson that alludes to Honda.



The stars of ABC-TV's "Coach" pitch for Honda in a comeback for cast commercials.

The initial flight carried a public safety spot with Honda highlighting airbags. Mr. Nelson follows the spot, saying, "Don't forget to buckle your seat belt." In other spots that feature specific Honda models, Mr. Nelson says, "Stick with No. 1."

The promotion is a value-added element to Honda's sponsorship of "Coach," with Honda paying standard rates for the :15.

The deal works on several levels, said Chuck Bachrach, senior VP-director of national programming and purchasing at Honda agency Rubin Postaer & Associates, Los Angeles. It promotes "Coach" for ABC, gives Honda an "island of programming that sets it apart from the sea of surrounding automotive ads" and lets Honda reach the desirable "Monday Night Football" audience.

"We couldn't get into 'Monday Night Football' because we were already blocked out by other automotives that had bought the category exclusively," Mr. Bachrach said. "This gave us an opportunity to reach male viewers and hopefully get some of the lead-in viewers to 'Monday Night Football.' " □

MEDIA MIX

News briefs on print, electronic and alternative media.

Paperless trail. Group W Satellite Communications has developed an electronic system that takes much of the paperwork out of cable TV buys. The service, dubbed Traffic & Sales Service System, currently is being used by TNN: The Nashville Network and CMT: Country Music Television and has been licensed by the Monitor Channel. Regional sports cable network Home Team Sports plans to start using it next month. The service, which is similar to competing systems being used by Turner Broadcasting Systems and USA Network, electronically generates sales proposals, contracts and audience performance reports.

A slice of pay-per-view. Pizza Hut will tie into Viewer's Choice's Dec. 4 pay-per-view event, "The Judds: Their Final Concert," with a local promotion in San Diego. Four of the local cable systems carrying the event in the San Diego area will offer a $5 discount off the pay-per-view concert to all customers who order a pizza delivery from Pizza Hut for three weeks leading up to the event.

Black radio merger. Sheridan Broadcasting Networks and NBN Broadcasting, two leading black-owned radio networks, merged Oct. 25. The new company consists of National Black Network, Sheridan Broadcasting Network, STRZ Entertainment Network, SBN Sports Network and SPM Radio Network.

Cruising. The February issue of *YM*, will include the debut of a first-person column from Hollywood heartthrob Tom Cruise. Mr. Cruise will contribute to the magazine for the next four issues. The issue will also feature a 12-page pullout booklet highlighting how various celebrities do their hair. The closing date is Nov. 22. A b&w page is $15,835 and a color page is $24,710.

Pizza Hut will team with Viewer's Choice for The Judds' farewell concert.

Columbus, y'all. TNN: The Nashville Network on Jan. 20 will launch a 38-week, ad-supported campaign celebrating the 500th anniversary of Christopher Columbus' first voyage to the New World. The campaign, titled "TNN Explores America," will include sponsored contests, promotions and special telecasts.

Oprah expands. Oprah Winfrey's Harpo Productions will produce all four of ABC's "Afterschool Specials" next season. The specials include a documentary and two reality programs hosted by Ms. Winfrey. The last of the four specials will be based on a yet-to-be announced concept submitted by a teen-ager through a contest sponsored by ABC in conjunction with *Seventeen*. In addition to the four Harpo productions, Ms. Winfrey will introduce repeats of "Afterschool Specials."

A super move. After 37 years of letterpress printing, DC Comics will switch to offset starting the week of Jan. 14. DC, which publishes comic books featuring Superman, Batman and other classic characters, will also move to a whiter stock that will produce more vibrant colors.

"The new books will be printed with 85-line screen, an improvement over the old 65-line screen. We'll be able to do bleeds for the first time," said Production Director Bob Rozakis.

Going public. New York public TV station WNET, Channel 13, has restructured its marketing department and begun an aggressive campaign to court corporate budgets that traditionally would go to commercial media outlets. The station has launched a newsletter titled *Thirteen & Company* and is now making regular sales calls on ad agencies and clients for national corporate underwriting sponsorships. □

NEWSSTAND

Advertising opportunities in print.

Entertainment Weekly, New York, "1991 year in review" special double issue; Dec. 27-Jan. 9 issue; ad close: Nov. 25. B&w page: $17,500; color page: $22,900.

Nation's Business, Washington, "Accounting software" special editorial section, January issue; ad close: Nov. 25. B&w page: $25,820; color page: $38,600.

Golden Years, Melbourne, Fla., "Use it or lose it" special editorial section, January/February issue; ad close: Nov. 27. B&w page: $11,880; color page: $15,290.

New York Magazine, New York, "The food of New York" special yearend double issue; Dec. 23-Dec. 30 issue; ad close: Dec. 2. B&w page: $17,980; color page: $28,300.

Southern Accents, Birmingham, Ala., "Window shopping" special editorial section, February issue; ad close: Dec. 2. B&w page: $12,900; color page: $16,500.

Southern Living, Birmingham, Ala., "Winners of the Southern Home Award" special ad section, February issue; ad close: Dec. 2. B&w page: $44,960; color page: $63,400.

Parade, New York, "Revolutionary advances in surgery" special editorial section, Jan. 12 issue; ad close: Dec. 5. Color page: $362,400.

USA Today, New York, "Bowl games" special editorial section, Dec. 30 issue; ad close: Dec. 9. B&w page: $66,131; color page: $85,971.

Tennis, Trumbull, Conn., "International tour preview" special ad/editorial section, February issue; ad close: Dec. 10. B&w page: $26,300; color page: $39,450.

Audubon, New York, "1992 collector's issue" special issue; March-April issue; ad close: Jan. 1. B&w page: $11,770; color page: $19,465.

USA Weekend, New Yor "Winter Olympics" special issue, Jan. 31-Feb. 2 issue; ad close: Jan. 3. B&w page: $190,575; color page: $225,000.

Movieline, Los Angeles, "Young Hollywood" special editorial section, March issue; ad close: Jan. 13. B&w page: $4,021; color page: $5,500.

Parenting, New York, "Interfaith families" special editorial section, April issue; ad close: Jan. 15. B&w page: $21,895; color page: $29,195. □

Promotions get boost

Survey finds higher spending plans for '92

By Scott Hume

The prospects for 1992 spending on sales promotion programs are good, but that may not be reflected in promotion agency billings.

Of 50 U.S. and Canadian marketers surveyed last month for the Council of Sales Promotion Agencies, 64% said their approved plans for 1992 call for higher total sales promotion budgets than in 1991. Another 28% said next year's budget will be the same as this year, and 8% said the sales promotion budget will be lower.

Among those that set higher budgets for 1992, 60% said spending will involve the same types of programs or tactics used this year. Among marketers that plan new programs, the most commonly mentioned were direct marketing and local promotions or events.

But the increased spending for direct and event marketing won't necessarily be billed through sales promotion agencies.

The 50 companies surveyed were asked which promotion expenses are billed through promotion agencies. Display/point-of-purchase work is billed through agencies by 58% of responding companies; fulfillment by 50%; event marketing by 48%; printing by 46%; direct marketing and premium purchasing each by 44%; and promotional media, including media buying, by 38%.

Those percentages suggest agencies can best increase billings growth by expanding capabilities in areas such as direct marketing and media buying.

The marketers seemed to be interested in increasing their promotion agencies' level of involvement. Asked whether in 1992 they plan to get their promotion agencies involved in new areas, 48% said yes. Another 42% said no, and 10% are undecided.

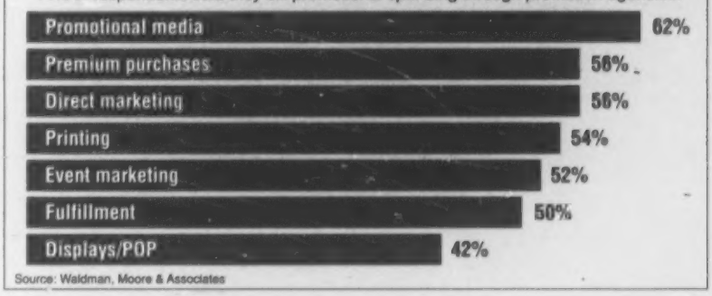
Among those that said yes, most said they will look for help with strategic planning, followed by trade promotion, direct marketing and meeting planning.

Three-quarters of respondents said no promotional programs have been canceled for 1992 or moved to a different area within their companies. Free standing inserts represented the most frequently mentioned canceled program.

The survey was conducted by Waldman, Moore, & Associates. The companies, surveyed by telephone Oct. 1, represent 29 business categories and are all served by CSPA member agencies. □

What's not spent at sales pro shops

While spending on sales promotion may rise, billings by sales promotion agencies don't necessarily rise accordingly. The CSPA survey asked 50 client companies to list areas of promotion expenditures that aren't billed through their sales promotion agencies. Only 14% of respondents said they bill promotional spending through promotion agencies.



Source: Waldman, Moore & Associates

CYNTHIA WATSON

Lotus drops destruction oath

By Alan Radding

Lotus Development Corp. has backed down from a promotion that brought new meaning to "guerilla marketing."

The in-store discount promotion for its 1-2-3 spreadsheet software began early this month but backfired when customers objected to Lotus' requirement that they destroy copies of competing software products.

To get a discount, customers had to bring in the title page from the manual for Microsoft Corp. or Borland International's spreadsheet. Customers then were asked to sign a form promising to destroy their copies of Microsoft's Excel or Borland's Quattro Pro within 90 days.

After a flurry of complaints, Lotus changed the promotion.

"We now require the customer to install the program on the same computer as the current spreadsheet," enabling users to run each program, a Lotus spokesman said.

The policy change will be communicated directly to software retailers; new pledge cards are being printed.

Lotus started its first in-store discount upgrade promotion in September 1990, countering a Borland promotion that offered a discounted copy of Quattro Pro if customers proved ownership of Lotus' 1-2-3.

Lotus then offered a deeply discounted advanced version of 1-2-3 in-store to customers who proved ownership of 1-2-3 and promised to replace the old version with the new. The goal was to discourage customers from passing along the old copy to a new user.

By automatically extending the same requirements to a promotion involving competing products, Lotus forced customers who wanted to use both products into technically violating the software license agreement.

While it's unlikely Lotus would have taken legal action against individual users not destroying competitors' products, software publishers have taken a hard line on piracy by large corporate customers.

Spreadsheet software discounting has been rampant for two years as Borland and Microsoft chip away at 1-2-3's share, now about 50% of unit sales, down from 70% in 1989.

Borland and Microsoft continue to target Lotus customers with aggressive price promotions. Borland is running a promotion themed "One, Two, Free," offering buyers of Quattro Pro or Paradox database programs two of three other Borland products free.

Microsoft is offering 1-2-3 customers an upgrade to the latest version of Excel, available in-store or by phone.

Lotus handles promotions in-house; Hill, Holliday, Connors, Cosmopulos, Boston, handles advertising.

Borland does promotions and advertising in-house; Ogilvy & Mather, San Francisco, is Microsoft's agency. □

BRIEFS

■ **Federal Express Corp.** is mailing a new, free magazine, *Via FedEx*, to 350,000 secretaries and office workers. Wells & Miller, a Minneapolis marketing communications company, is producing the color, glossy quarterly. The magazine is a mix of feature stories, business tips and FedEx ads. Joan McPeak, Federal Express senior marketing specialist, is editor. In time, FedEx hopes to open the magazine to other advertisers.

■ **Greg Norman's Shark Shoot-out** will be held Nov. 22 to 24 at the Sherwood Country Club in Thousand Oaks, Calif. The benefit for Ronald McDonald Children's Charities will be covered Nov. 22 on ESPN and Nov. 23 and 24 on CBS. Tournament sponsors include Dole Packaged Food Corp., McDonald's Corp., Textron, Toyota Motor Sales USA's Lexus division and United Airlines. McDonald's is promoting the tournament through in-store materials via Frankel & Co., Chicago.

■ **Council of Sales Promotion Agencies** has five new members: Communique Group, Newton, Mass.; Group One Communications Corp., Minneapolis; M. Promotional Marketing, Toronto; Ross Roy Communications, Bloomfield Hills, Mich.; and Sales Aides International, Melrose Park, Pa.

■ **VH-1: Video Hits One** on Nov. 17 broke a consumer sweepstakes backing the revival of "Shindig," a weekly TV show that aired in the mid-1960s and showcased popular musicians. A 25th anniversary show is planned for Dec. 7; sponsors include Wendy's International, Prodigy Services Co. and Kmart Corp.

CUSTOMIZED SHOPPING MALL PROMOTIONS
• Live, Interactive Events
• Sampling/Couponing
• Retail Tie-Ins
• Partnered Promotions
• Advertising/P.R. Support
Since 1980, producers of turn-key product events in shopping malls for the nation's top advertisers.
Call or write
Axiom Marketing, Inc.
201 Moreland Road, Suite 7
Hauppauge, New York 11788
(516) 543-4902
New York • Chicago • Los Angeles

BEEMAK PLASTICS, INC.
since 1961

Call for free catalog 1 (800) 421-4393
BEEMAK has a display or holder in stock to meet your needs, or we'll make you one that will!
7424 Santa Monica Boulevard, Los Angeles, CA 90046
(213) 876-1770 • FAX (213) 969-8738

CUSTOM BANNERS
DELIVERED TO YOU IN
72 HOURS
OR THEY ARE
FREE
HOW?
CALL
8 a.m. - 6 p.m. PST
1-800-925-SIGN
(7446)
SIGNS PLUS
FAX YOUR ORDER TO
1-805-925-5066
FOR ALL OF YOUR SIGN, BANNER, OR PROMOTIONAL NEEDS

WANTED
IMAGINATIVE SALES Promotion Managers
Let us quote on your next program which requires custom made premiums designed and built to your specifications.
• On time
• Competitively priced
• Lab tested to meet safety requirements (if needed)
Contact the Pros at
PREMIUM RESOURCES
(800) 223-8879
PRI

attention:
SMALL AGENCY PRINCIPALS
I can help you stay out of trouble.
- Payroll too high?
- Vendors want cash up front?
- Receivables uncollected?
- New business not materializing?
- Trying to get organized?

I opened a one-man shop 33 years ago. I just sold it – with billings of $40+ million.
I enjoy helping smaller agencies survive and prosper.
Write or Call Gene Hameroff
EJH CONSULTING INC.
Suite 109, 900 South U.S. One, Jupiter, FL 33477
(800) 622-6566

TV nets warming to condom ads

By Pat Sloan and Joe Mandese

Condom marketers are quickly rejiggering their ad plans to include TV following Fox Broadcasting Co.'s decision to accept condom commercials.

The scramble follows basketball star Earvin "Magic" Johnson's announcement he tested positive for HIV.

Fox last week said it will break with tradition and accept condom commercials that focus on disease prevention. The network already has been approached by at least two, unidentified marketers and is reviewing their commercials, said Andi Sporkin, VP-publicity and public relations.

While CBS and NBC said they will review their policies prohibiting such spots, ABC said it will still prohibit them. Local affiliates of the Big 3 have run condom spots.

Carter-Wallace, the No. 1 condom marketer, will consider TV, a spokeswoman said. The company wouldn't comment further.

Schmid Laboratories, marketer of Ramses, Sheik and Protex prophylactics, said it plans to air on Fox "The Gift," a 30-second spot for its Ramses Extra brand. The commercial first ran on local New York stations in 1987. Schmid President Ken Matthews said he couldn't give an airdate.

Schmid, the No. 2 player in the U.S. market, also said it plans to bring its Ramses Safe Play youth brand to the U.S. from the U.K. early next year and will advertise the brand on Fox.

"We're in the process of producing a spot for a [Safe Play] campaign," said C.J. Key, president of Key Concepts, the San Francisco marketing company working with Schmid on the introduction.

Mr. Matthews said Safe Play is scheduled to ship to retailers by February; he wouldn't disclose the introductory ad budget. McCann-Erickson Worldwide, New York, is Schmid's agency.

Besides TV, Safe Play will be supported by print and radio ads, sampling and couponing, and will be the sponsor of the "MTV College Tour: Sex in the '90s."

Meanwhile, No. 3 Ansell-Americas may resurrect a campaign for its LifeStyles brand that first ran in 1986.

CYNTHIA WATSON

Themed "I'll do a lot for love, but I'm not ready to die for it," the :30 was created by then Della Femina, Travisano & Partners, New York.

Ansell is also breaking a disease prevention print campaign in December magazines via current agency Koenig & Associates, Shrewsbury, N.J.

Marie Kraemer, LifeStyles product manager, said Ansell is considering airing the 1986 campaign on Fox.

The company is also considering TV and radio versions of its new print campaign, which uses copy such as "An ounce of prevention because there is no cure," "It was only once" and "Sexually transmitted diseases foiled again," Ms. Kraemer said.

Both the 1986 LifeStyles commercial and "The Gift" were part of a wave of commercials that followed former Surgeon General C. Everett Koop's recommendation that condoms be used to prevent AIDS.

The LifeStyles spot made sex a life and death issue, while the Ramses commercial promoted parental involvement.

In "The Gift," created by then Ogilvy & Mather unit Euramerica International, a father writes to his son in college, warning him of herpes and AIDS, and encloses a Ramses condom.

While Schmid Laboratories hasn't yet produced a Safe Play spot, it's toying with three concepts, one of which is shown here (l.) in animatic form. LifeStyles (top) minces no words in its pitch.

Della Femina resigned the LifeStyles account in 1987 after *Time* quoted an Ansell executive as saying, "AIDS is a condom marketer's dream."

Now, condom marketers may again face criticism.

"What fascinates me is that there has been all this media attention on condom commercials but no one can figure out why no condom commercials were being offered," Fox's Ms. Sporkin said. "This is the first time in two years that we've been approached about a condom commercial."

In fact, condom marketers in the past have resisted heavily investing in U.S. TV commercial production because of the limited outlets available, and the time and programming limitations set by stations that accepted them.

Further, sales haven't warranted megabudgets, with most marketers holding annual measured media spending to the $3 million range.

Schmid, for instance, will spend $10 million on advertising and promotion this year, but 70% of that will be spent outside measured media.

According to industry estimates, the annual growth rate of the U.S. condom market is 3% to 5% compared with 7% worldwide. Some countries such as Canada, with more liberal advertising policies, have posted growth rates of as much as 10%.

Mick Maroney, general manager of Update USA, a consulting and publishing company that specializes in consumer healthcare, predicted any upward sales blip now will also be short-lived.

He also said the fear of appearing to be trying to capitalize on the AIDS issue may prevent some companies such as Johnson & Johnson from entering the U.S. market.

"They tried once before and are now keeping an eye on it," he said. "But even if they are interested, I'm sure they would not like the timing now."

J&J had no comment. □

Johnson plans for future ads

By Gary Levin

A Washington, D.C., company that matches corporations with sports figures is discussing a deal with Burroughs-Wellcome Corp., marketer of the AZT AIDS-treatment drug, for Earvin "Magic" Johnson to appear in public service spots urging testing for the virus.

Mr. Johnson, the basketball star who shocked the world by disclosing he tested positive for HIV, is setting up a foundation that will determine where money from endorsement deals will go and, presumably, what kinds of projects he will consider.

Stephen Disson, president of D&F Consulting, is handling the negotiations for Burroughs-Wellcome, a client.

At this point, all Mr. Johnson has determined is that he wants to fund AIDS research, education and care, but no organizations have been identified as beneficiaries.

"We're still looking at the proper way to do this," said Lon Rosen of First Team Marketing, Mr. Johnson's agent. "That's still a couple of days away.

"All of his sponsors want to get involved, which makes us happy. But we need to take some time."

Converse said it will start a $1 million public service campaign by yearend on network TV and radio.

Themed "Magic's athletes against AIDS," the effort from Ingalls, Quinn & Johnson, Boston, will support education and research on the disease and will feature other Converse basketball endorsers. Mr. Johnson OK'd the effort.

E. Johnson

Converse President Gib Ford said Mr. Johnson will continue to appear in product advertising. Mr. Johnson's Converse contract extends through 1995.

Spalding Sports Worldwide will continue to market the Magic Johnson basketball and will seek the athlete's permission to issue promotional or commemorative items, profits from which would be donated to the foundation.

Mr. Johnson, whose contract extends through mid-1995, is paid royalties on sales of the basketballs in exchange for his endorsement.

Target Stores initially said it would pull TV spots featuring the athlete because they might be "too flippant" given the serious nature of his condition. But the discount chain decided to continue the effort from Chuck Ruhr Advertising, Minneapolis.

"We first questioned the appropriateness of the TV spot because of its humorous tone," John Pellegrine, senior VP-marketing, said in a statement. "We didn't want to appear insensitive or exploitative. However, Magic's agent has encouraged us to continue the campaign as planned."

Nestle Chocolate & Confection Co. may decide this week whether to air a new Nestle Crunch commercial. The spot, created by Jordan, McGrath, Case & Taylor, New York, was scheduled to break in January.

"A lot of things are being considered," said Linda Gavlick, Nestle public relations manager.

"Nestle is interested in staying aboard," Mr. Rosen said last week.

Pepsi-Cola Co. last week said Mr. Johnson won't appear in an upcoming commercial because the basketball star asked to be excused from the shoot due to vacation plans.

Gary Gerdemann, Pepsi's public relations manager, said no decisions have been made regarding Mr. Johnson's future commercial appearances because the company hasn't yet met with him.

The news has hit overseas, too.

Campofrio, Spain's leading meat products marketer, put its entire 1992 marketing and ad strategy on hold until an new focus could be found. Mr. Johnson was the star of a $10 million marketing campaign created by Young & Rubicam, Madrid, slated to run through 1992.

The major marketers that have deals with Mr. Johnson currently provide him with about $12 million in annual income.

David Burns, president of Burns Celebrity Service, said few of the marketers will embrace social causes at the expense of product marketing.

"They're not going to spend any money digressing with this," he said.

Said Mr. Disson: "Their business is to sell their products . . . not to use him in a public service capacity." □

Contributing to this story: Pat Sloan, Alison Fahey, Bradley Johnson, Bob Geiger and Cleveland Horton.

Survey

(Continued from Page 3)

WWMT, Grand Rapids, Mich.

Denver ABC affiliate KUSA accepts condom ads after 9 p.m., but there's been little action from condom marketers, said Joe Franzgrote, VP-general manager.

"There has been little money available in any event," Mr. Franzgrote said.

Fox revised its position about six months ago but was approached only recently by a marketer seeking to air a condom commercial, said Andi Sporkin, VP-publicity and public relations.

Ms. Sporkin said the network would air condom spots only after 9 p.m. (ET) and not in any family-oriented programming such as "The Simpsons."

"We have not been approached in two years about a condom commercial, but about six months ago we began re-evaluating our position on it, assuming we would be approached in the future," Ms. Sporkin said. "We decided that we are open to the idea of a condom commercial, but it really came down to the message that is in the commercial."

Schmid Laboratories recently approached Fox about running ads to introduce Safe Play, a new line of condoms targeted at teens and young adults. Schmid is the U.S. division of London International Group, which markets Ramses, Sheik and Fourex condoms.

While ads for Safe Play are still in development, Schmid may air previously produced spots for its Ramses line *(see related story above)*.

CBS and NBC are reviewing their condom policies, while ABC said it doesn't plan any changes. □